



CITY OF SPRINGFIELD, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
For Fiscal Year Ending February 29, 2016

CITY OF SPRINGFIELD, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED FEBRUARY 29, 2016

Prepared by: Office of Budget and Management

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CITY OF SPRINGFIELD, ILLINOIS

TABLE OF CONTENTS

INTRODUCTORY SECTION

Transmittal Letter	i – v
Certificate of Achievement For Excellence in Financial Reporting	vi
Addendum to Transmittal Letter (Principal Officials, Organizational Chart, Department Functions)	vii – xxiv

FINANCIAL SECTION

Independent Auditor's Report	1 – 3
Management's Discussion and Analysis	MDA - 1 – 14
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	Statement 1 4 – 5
Statement of Activities	Statement 2 6 – 7
Fund Financial Statements:	
Government Funds:	
Balance Sheet	Statement 3 8
Reconciliation of Total Governmental Fund Balances to the Net Position of Governmental Activities	Statement 4 9
Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement 5 10
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	Statement 6 11
Proprietary Funds:	
Statement of Net Position	Statement 7 12 – 13
Statement of Revenues, Expenses and Changes in Net Position	Statement 8 14
Statement of Cash Flows	Statement 9 15 – 16
Fiduciary Funds:	
Statement of Fiduciary Net Position	Statement 10 17
Statement of Changes in Fiduciary Net Position	Statement 11 18
Notes to Financial Statements	19 – 92
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	Exhibit 1 93-95
Schedule of Funding Progress:	Exhibit 2
Retiree Health Plan	96
Schedule of Employer Contributions:	Exhibit 3
Illinois Municipal Retirement Fund	97
Illinois Municipal Retirement Fund (SLEP)	98
Illinois Municipal Retirement Fund (ECO)	99
Police Pension Plan	100
Firefighters' Pension Plan	101
Retiree Health Plan	102

CITY OF SPRINGFIELD, ILLINOIS**TABLE OF CONTENTS (Continued)**

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios	Exhibit 4	
Illinois Municipal Retirement Plan		103
Police Pension Plan		104
Firefighters' Pension Plan		105
Schedule of Investment Returns	Exhibit 5	106
Notes to Required Supplementary Information		107-108
Combining and Individual Fund Statements and Schedules:		
Major Governmental Funds:		
General Fund:		
Combining Balance Sheet – By Subfund	Exhibit 6	109
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – By Subfund	Exhibit 7	110
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual - Lincoln Library Fund – General Fund Subfund	Exhibit 8	111
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Capital Improvements Fund	Exhibit 9	112
Nonmajor Governmental Funds:		
Combining Balance Sheet	Exhibit 10	113-118
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	Exhibit 11	119-124
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:		
Convention and Visitors Fund	Exhibit 12	125
Motor Fuel Tax Fund	Exhibit 13	126
Community Development Block Grant Fund	Exhibit 14	127
Community Development Block Grant Home Program Fund	Exhibit 15	128
Special Allocation Project Account Fund (Downtown TIF)	Exhibit 16	129
State Drug Profit Forfeiture Fund	Exhibit 17	130
Police Evidence Fund	Exhibit 18	131
Federal Drug Profit Forfeiture Fund	Exhibit 19	132
Police Law Enforcement Block Grant Fund	Exhibit 20	133
Madison Park Place TIF Project Fund	Exhibit 21	134
Police Laboratory Fund	Exhibit 22	135
Enos Park TIF Project Fund	Exhibit 23	136
Recycling Fee Fund	Exhibit 24	137
Northeast TIF Project Fund	Exhibit 25	138
Jefferson Crossing TIF Fund	Exhibit 26	139
MacArthur TIF	Exhibit 27	140
Dirksen Parkway Redevelopment TIF	Exhibit 28	141
Special Assessments Fund	Exhibit 29	142
Debt Management Fund	Exhibit 30	143
1996 Capital Improvement Fund	Exhibit 31	144
TIF South Grand Pointe Project Fund	Exhibit 32	145
South Central Business District	Exhibit 33	146

CITY OF SPRINGFIELD, ILLINOIS**TABLE OF CONTENTS (Continued)**

Capital Equipment Fund	Exhibit 34	147
Nonmajor Enterprise Funds:		
Combining Statement of Net Position	Exhibit 35	148
Combining Statement of Revenues, Expenses and Changes in Net Position	Exhibit 36	149
Combining Statement of Cash Flows	Exhibit 37	150-151
Oak Ridge Cemetery Fund:		
Combining Schedule of Net Position – By Sub-Fund	Exhibit 38	152
Combining Schedule of Revenues, Expenses and Changes In Net Position – By Sub-Fund	Exhibit 39	153
Combining Schedule of Cash Flows – By Sub-Fund	Exhibit 40	154
Schedules of Revenues and Expenses – Budget (NonGAAP Basis) and Actual:		
Oak Ridge Cemetery Fund	Exhibit 41	155
Sewer Fund	Exhibit 42	156
Motor Vehicle Parking System Fund	Exhibit 43	157
Internal Service Funds:		
Combining Statement of Net Position	Exhibit 44	158
Combining Statement of Revenues, Expenses and Changes in Net Position	Exhibit 45	159
Combining Statement of Cash Flows	Exhibit 46	160
Schedules of Revenues, Expenditures and Changes in Net Position – Budget and Actual:		
Support Services Revolving Fund	Exhibit 47	161
Unemployment Compensation Escrow Fund	Exhibit 48	162
Self Insurance Fund	Exhibit 49	163
Trust and Agency Funds:		
Combining Statement of Plan Net Position – Pension Trust Funds	Exhibit 50	164
Combining Statement of Changes in Net Position – Pension Trust Funds	Exhibit 51	165
Combining Statement of Assets and Liabilities – Agency Funds	Exhibit 52	166
Combining Statement of Changes in Assets and Liabilities	Exhibit 53	167
Capital Assets Used in the Operation of Governmental Funds:		
Schedule by Source	Exhibit 54	168
Schedule of Changes by Function and Activity	Exhibit 55	169
Schedule by Function and Activity	Exhibit 56	170
Supplemental Data:		
Schedule of Expenditures – Budget and Actual – General Fund	Exhibit 57	171-178
Schedules of Revenues and Expenses – Budget and Actual:		
Electric Light and Power Fund	Exhibit 58	179
Water Fund	Exhibit 59	180
Schedule of Cash Receipts and Disbursements – Restricted Accounts Required by Revenue Bond Ordinance:		
Electric Light and Power Fund	Exhibit 60	181
Water Fund	Exhibit 61	182

CITY OF SPRINGFIELD, ILLINOIS
TABLE OF CONTENTS (Continued)

STATISTICAL SECTION (UNAUDITED)

Table of Contents		183
Financial Trends:		
Net Position by Component	Schedule A-1	184
Changes in Net Position	Schedule A-2	185-187
Fund Balances – Governmental Funds	Schedule A-3	188
Changes in Fund Balances – Governmental Funds	Schedule A-4	189
Revenue Capacity:		
Revenue by Source – Governmental Funds	Schedule B-1	190
Significant Own Source Revenue	Schedule B-2	191
Assessed Value and Actual Value of Taxable Property	Schedule B-3	192
Direct and Overlapping Tax Rates	Schedule B-4	193
Property Tax Levies – Direct and Overlapping	Schedule B-5	194
Principal Property Tax Payers	Schedule B-6	195
Taxable Sales by Category	Schedule B-7	196
Property Tax Payment Calendar	Schedule B-8	197
Debt Capacity:		
Ratios of Outstanding Debt by Type	Schedule C-1	198
General Bonded Debt Capacity and Ratios	Schedule C-2	199
Direct and Overlapping Governmental Activities Debt	Schedule C-3	200
Pledged Revenue Coverage	Schedule C-4	201-203
Demographic and Economic Information:		
Demographic and Economic Statistics	Schedule D-1	204
Principal Employers	Schedule D-2	205
Operating Information:		
Full-Time Equivalent City Employees by City Agency	Schedule E-1	206
Operating Indicators by Agency	Schedule E-2	207
Capital Assets Statistics by Agency	Schedule E-3	208



**OFFICE OF BUDGET AND MANAGEMENT
CITY OF SPRINGFIELD, ILLINOIS**

**WILLIAM D. MCCARTY II
DIRECTOR**

September 9, 2016

Honorable Mayor Langfelder,
Members of the City Council, and
Citizens of the City of Springfield

The Comprehensive Annual Financial Report of the City of Springfield, Illinois, for the year ended February 29, 2016, is hereby submitted. Responsibility for both accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial positions and result of operations of various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter and an addendum to the transmittal letter that includes a list of principal officials, the City's organizational chart and the descriptions of departmental functions. The financial section includes the basic financial statements and notes to financial statement, as well as the auditors' opinion on the financial statements and schedules. The statistical section includes selected financial and demographic information generally presented on a multi-year basis.

As a recipient of various federal financial assistance programs, the City of Springfield is required under the Federal Single Audit Act, to have an annual audit of certain major federal grant programs performed. Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditors' reports on internal controls and compliance and other matters, with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single report.

This report includes all funds of the City. The City provides a full range of services, including police and fire protections; the construction and maintenance of highways, streets and infrastructure; cultural events; parking facilities and structures; electric generation; and water and sewer services. In addition to general government activities, the City is financially accountable for the police and fire pensions; therefore, these activities are included in the reporting entity. However, the Springfield Public School District, the Springfield Park District, the Sangamon County Water Reclamation District, Springfield Housing Authority, the Springfield Mass Transit District, Springfield Airport Authority, and the Springfield Metropolitan Exposition and Auditorium Authority have not met the established criteria for inclusion in the reporting entity, and accordingly, are excluded from the report.

Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the police and fire pension plans are reported as fiduciary funds. Accounting principles generally accepted in the United States of America (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found following the report of the independent auditors.

Local Economy

The City, incorporated in 1840 and consisting of 66 square miles, has a diversified economy, with the principal sectors being state and local government, retail and wholesale trade, healthcare, finance, rail and motor transportation. The City also is the headquarters for many national, regional and state trade associations, as well as several insurance companies. Additionally, Springfield's historical significance, especially that of the Abraham Lincoln legacy, is the driving force behind tourism's robust contribution to the local economy.

While the City's local population numbers approximately 117,000, it serves as the retail and wholesale center for an 11-county area with a population in excess of 536,000. Because of Springfield's dominant status as a retail hub for central Illinois, it remains a desirable location for additional merchandising. A new "Lifestyle Center" continues to take shape at the intersection of Interstate 72 and the new MacArthur Boulevard extension entitled "Legacy Pointe Town Center." This retail hub sits on 277 acres of proposed mixed use development and is anchored by the 200,000 square foot Scheels all Sport Facility. Other developments continue to evolve around the City of Springfield including at least two new supermarkets have completed or announced new locations throughout Springfield. These developments will provide additional space for supportive retail or commercial amenities.

Springfield is also a regional healthcare center serving over 1.6 million individuals in 40 counties. The Mid-Illinois Medical District anchors three major healthcare providers, Memorial Medical Center, St. John's Hospital, and Southern Illinois University School of Medicine. Collectively, these institutions offer over two million square feet of hospital space. Additionally, Springfield Clinic, HSHS Medical Group, Vibra Hospital, and other medical providers around town are significant contributors to the economy, employing thousands of individuals within our community. *(Source: Greater Springfield Chamber of Commerce Community Profile)*

Springfield's rich Lincoln heritage, anchored by the Lincoln Presidential Library & Museum and the Lincoln Home National Historic Site, along with Route 66, the Illinois State Fair and our many other attractions and special events makes Springfield a viable tourism destination for well over 1 million visitors each year from around the globe. In addition to its strong leisure tourism product, Springfield also boasts a fully developed convention and meeting product. With over 4,000 sleeping rooms and strong convention venues throughout the city, Springfield hosts numerous conventions each year. The Illinois Office of Tourism recently released the economic impact for 2015. The results showed a tourism industry annual economic impact of \$431.74M in Springfield and Sangamon County.

Springfield offers a diverse selection of entertainment, cultural and recreational activities. Lincoln Library, the City's public library, has holdings of nearly 400,000 volumes. The Springfield Park District operates 32 community parks, three public swimming pools, 26 tennis courts, four golf courses, an expanding bicycle trail system, ball parks, as well as the Henson Robinson Zoo.

Additionally, the Illinois Symphony Orchestra, Springfield Municipal Band, Springfield Ballet Company, Springfield Muni Opera, Springfield Theater Center, Sangamon Auditorium, Hoogland Center for the Arts, Prairie Capital Convention Center, the Springfield Community Concert Association, university sports' teams, Springfield Sliders baseball team and the Junior Blues Junior Class A hockey team provide plenty of options for the citizens of our community.

Financial Planning

In fiscal year 2016, the City of Springfield continued working to mitigate the effects of the weakened economy upon the City's financial position by getting back to the basics of sound financial planning. A combination of increased general revenue, along with an ongoing commitment to cost control and sound fiscal practices helped the City continue to turn around the financial morass caused by the confluence of negative economic and fiscal events, dubbed by national economists as a "Black Swan." Nevertheless, challenges and volatility remain so the City is resolved to continue building a sound financial base.

Each year, the City conducts a thorough evaluation of its various revenue streams and departmental expense requests, which is then utilized to construct a balanced budget that conforms to the Illinois Municipal Code. Our financial planning process is intended to ensure the adequate and equitable distribution of resources across city services, retain financial stability, identify risk exposure, and maintain flexibility.

Fiscal Year 2016

In fiscal year 2016, Springfield continued to foster systemic improvement in its finances by focusing on personnel expense growth, innovations in service delivery and internal process improvement. Notable initiatives include:

- CWLP restructured its electric rates, negotiated a lower coal price in its coal contract and refunded \$ 507 million in electric fund debt as measures to stabilize utility revenues and improve its cash position. The change in electric rates resulted in about a 3% increase in price per kilowatt. The coal price per ton decreased by 25% from \$44.95 to \$35.90. The CWLP Electric Bond Refunding resulted in an annual savings of \$5.77 million on average from 2017 to 2037.
- CWLP's Natural Gas Conversion Project was required to reduce emissions and meet EPA rules and regulations. The project installed natural gas ignition equipment to replace the existing fuel oil ignition equipment. The work was completed on Dallman Units 31, 32 and 33 boilers during the recent spring 2016 outages, at a cost of approximately \$10 million.
- The Springfield Fire Department continued to improve its EMS care by increasing the number of Intermediate EMS Engine Companies to six. It also implemented a program to train all new fire recruits to the Intermediate EMT Level.

- The Springfield Police Department successfully hosted the 2015 USPCA K-9 National Field Trials, increased mandatory training (including use of force simulator training), expanded community outreach programs, and completed a body camera pilot program.
- The Public Works Sewer Division completed \$3 million of rehabilitation on sewers through the City in FY 16 through Cured in Place Lining methods. The project rehabilitated almost 4.5 mile of sewer and was funded through the Illinois Environmental protection Agency's Revolving Fund Loan Program.
- The Public Works Sewer Division integrated a new Asset Management System (City Works) to track Division activities providing for more efficient management of resources and better service delivery to the public.

Relevant Financial Policies

The City's Comprehensive Annual Financial Report has been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB). Significant accounting policies are described in the accompanying notes to the financial statements.

The Office of Budget and Management is responsible for assuring that a system of internal controls exists to safeguard the City's assets and preserve financial integrity and for the fair presentation of the City's financial position and results of operations.

In developing and evaluating the City's accounting control system, consideration is given to the adequacy of internal accounting controls. Accounting control indicates the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records, and consequently, are designed to provide reasonable assurance that:

- Transactions are executed in accordance with management's general or specific authorization;
- Transactions are recorded as necessary (1) to permit preparation of financial statements in conformity with accounting principles generally accepted in the United States of America or any other criteria such as finance related legal issues and contractual compliance requirements applicable to such statements, and (2) to maintain accountability for assets: and
- Access to assets is permitted only in accordance with management's authority.

The recorded accountability for assets is compared with the existing assets at reasonable intervals, and appropriate action is taken with respect to any difference.

The definition of accounting control means reasonable, but not absolute, assurance that the objectives expressed in it will be accomplished by the system. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefits derived. The benefits consist of reductions in the risk of failing to achieve the objectives implicit in the definition of accounting control.

All internal control evaluation occurs within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reports to the City of Springfield, Illinois for its Comprehensive Annual Financial Report for the fiscal year ending February 28, 2015. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Independent Audit

State statutes require an annual audit by independent certified public accountants. The Office of Budget and Management selected Sikich, LLP to perform the annual audit for fiscal year 2016. The auditors' report on the basic financial statements, individual fund statements and required supplementary information is included in the financial section of this report.

Acknowledgements

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the work of the Office of Budget and Management. Each member of the Office of Budget and Management has our sincere appreciation for the contributions made in preparation of this report. The leadership and support of the City Council made the timely preparation of this report possible.

Respectfully Submitted,



William D. McCarty II
Director, Office of Budget and Management



Ramona M. Metzger, CPA
Chief Accountant



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Springfield
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

February 28, 2015

Executive Director/CEO

**ADDENDUM
TO
TRANSMITTAL LETTER**

**A
SYNOPSIS
OF THE
CITY OF SPRINGFIELD'S
ORGANIZATION STRUCTURE
INCLUDING
DEPARTMENTAL FUNCTIONAL DESCRIPTIONS**

ELECTED CITY OFFICIALS

MAYOR

James O. Langfelder

ALDERMEN

Ward 1 – Chuck Redpath

Ward 2 – Herman Senior

Ward 3 – Doris Turner

Ward 4 – John Fulgenzi

Ward 5 –Andrew Proctor

Ward 6 – Cory Jobe

Ward 7 – Joe McMenamin

Ward 8 – Kristofer Theilen

Ward 9 – Jim Donelan

Ward 10 – Ralph Hanauer

CITY CLERK

Frank J. Lesko

CITY TREASURER

Misty Buscher

City Council

The City Council of Springfield, Illinois currently consists of eleven members; the Mayor, who is elected at-large, and one alderman elected from each of the City's ten geographic wards. Candidates must be qualified electors of the municipality and must be a resident of the City, and in the case of a candidate for alderman, a resident of their respective ward for at least one year immediately preceding the election.

The City Council administers its legislative powers through passage of ordinances and resolutions. All proposed ordinances and resolutions are placed on the City Council agenda for "first reading" by the City Clerk at the Council meeting. The Committee of the Whole meets the week prior to the Council meeting to assign ordinances and resolutions to the City Council agenda.

At the Council meeting, when the City Council votes, all ayes and nays taken upon passage of all ordinances and resolutions are entered upon the official record of the City Council by the City Clerk. The Mayor may veto any ordinance or resolution within ten days of passage by the City Council.

The City Council meets in session every first and third Tuesday of the month at 5:30 p.m. in the City Council chambers located on the third floor of the Municipal Center West. At 5:30 p.m. on the third Tuesday of the month, the City Council hears all zoning cases. The Mayor and/or the City Council may also call special council meetings or public hearings as warranted. Under the State's Open Meeting Act, all meetings of the City Council are open to the public unless certain subjects such as litigation and personnel matters are being discussed.

Ordinance #392-07-09 passed July 2009 established the Committee of the Whole currently used by the City of Springfield. The Committee of the Whole shall consist of all members then holding office on the Council except the Mayor. All ordinances or resolutions scheduled for "first reading" on the agenda shall be assigned to the Committee of the Whole for review at its next regularly scheduled meeting. The Chairman and Vice-Chairman of the Committee of the Whole rotates consecutively on a monthly basis beginning with the alderman of Ward 1 as Chairman and the alderman of Ward 2 as the Vice-Chairman with every alderman eventually having an opportunity to head the Committee.

Office of the City Clerk

The City Clerk serves as the official record keeper of all documents for the City of Springfield.

Agenda, Ordinance and Resolution processing is the responsibility of the Office of the City Clerk. Notices of all meetings as well as preparation of the agendas of the City Council, Aldermanic Committees, and any special meetings that may be called are prepared by and posted by the Office of the City Clerk. The City Clerk attends all of these meetings and maintains a written and audio record of all proceedings as well as a systematic method to file all ordinances and resolutions that have been passed by the City Council. A two (2) year electronic history of agendas, minutes and audio and video recordings prepared by the City Clerk, are published on the website www.springfieldcityclerk.com.

The City Clerk maintains an electronic system for records retention and records disposal. This is done with the authorization of the Office of the Secretary of State, Archives Division pursuant to the Local Records Act (50 ILCS 205). Disposal of all outdated material and/or records for all City departments is handled through the coordinated efforts of this office and the Secretary of State's Archives Division.

As the Local Registrar, the City Clerk processes all birth and death record records for residents of the City of Springfield. An archive of vital records is maintained in the Office of the City Clerk which allows for reporting of vital records statistics to the State of Illinois Department of Vital Records. During fiscal year 2009, the City of Springfield was one of 12 pilot sites for the State of Illinois Electronic Death Registration System (EDRS). After training and implementation of the new system, the City Clerk's Office began processing Death Certificates electronically. During calendar year 2010, the State of Illinois rolled out the Electronic Birth Registration module allowing processing of births occurring during and after calendar year 2010. Births occurring prior to 2010 are maintained by the Office of the City Clerk. Birth and death records can be requested via the website: www.springfieldcityclerk.com

Requests for public records pursuant to the Freedom of Information Act (FOIA), (5 ILCS 140/1 et seq.; P.A. 83-1013), are also submitted through the Office of the City Clerk. The City Clerk's Office supports the policy of providing public access to the public records in the possession of the City while, at the same time, protecting legitimate privacy concerns, and maintaining administrative efficiency and operational priorities. Freedom of Information requests are accepted, properly routed via intranet notification, and processed through this office. This allows interested individuals to obtain specific information relative to the operation of municipal government not specifically prohibited from disclosure. All FOIA requests and responses can be found on the website: www.springfieldcityclerk.com

The City Clerk acts as Administrative Court Clerk for the City of Springfield preparing and maintaining files, statements, and reports and preserving an audio record of all proceedings that are required by law. All files and audio recordings are stored, according to City Code, by the City Clerk's office in order to preserve a defendant's right to appeal a ruling by the Administrative Court Hearing Officer.

The City Clerk's Office works hand in hand with the Office of Business Licensing to issue licenses including taxicab and taxi driver permitting, liquor licenses, and video gaming licenses. The City Clerk's Office also accepts applications for and issues many other business related permits and licenses, processes property annexations, files and maintains reports and/or statements required by law, and maintains the corporate seal of the City of Springfield.

Office of the City Treasurer

The City Treasurer serves as an Executive Officer of the City and is custodian of the public funds. The Treasurer is responsible for the receipting, depositing and recording of all revenues. The Treasurer also provides financial reports on the status of City revenues to the City Council on a weekly basis.

Responsibility for the management of the City's investment program is delegated to the City Treasurer. Investment activities are conducted daily through a system of controls and written procedures that are consistent with the State of Illinois Public Funds Investment act and the City of Springfield's Investment Policy. Investments are purchased with maturity dates that will match anticipated cash flow requirements. The investment portfolio is actively managed following written performance standards. The primary objectives of the Investment Policy in priority order are safety, liquidity and rate of return.

In addition, the City Treasurer administers the collection and processing of traffic violation fines. Accounts are maintained, monitored and may be referred to the Credit Bureau and the Illinois Comptroller's Office Debt Recovery Offset Portal for collection and to the Secretary of State for driver's license suspension for nonpayment. A hearing process for violators is also administered by the Treasurer's Office.

The City Treasurer serves by statute as Treasurer of the Fire and Police Pension Boards.

Office of the Mayor

The Mayor is the presiding officer of the City Council and the Chief Executive Officer of the City. The Mayor appoints, with the approval of the City Council, the following department and agency heads:

- ◆ Corporation Counsel (part of the Office of the Mayor)
- ◆ Fire Chief
- ◆ Police Chief
- ◆ Director of Office of Planning and Economic Development
- ◆ Director of Human Resources
- ◆ Director of Public Works
- ◆ Director of the Convention and Visitors Bureau
- ◆ General Manager of Public Utilities
- ◆ Director of Communication (part of the Office of the Mayor)
- ◆ Director of Community Relations (part of the Office of the Mayor)
- ◆ Director of the Lincoln Library

The Mayor appoints the Director of the Office of Budget and Management and the Executive Assistant to the Mayor, neither of which require the consent of the City Council. The Mayor has the sole right and power to appoint and discharge all secretarial and administrative staff in the Office of the Mayor. The Mayor also originates nearly all appointments to various boards and commissions. Most appointments require Council approval.

The Mayor signs all bonds issued by the City and all contracts on behalf of the City and assures the preparation of all published statements and reports as required by law, ordinance or resolution of the Council. The Mayor also grants and signs all commissions, licenses, and permits granted by authority of the Council except as otherwise provided and performs other acts and deeds as prescribed by law or ordinance that may require an official signature. By nature of the office, the Mayor possesses other duties and powers as prescribed by state law or ordinances.

The Mayor has charge and supervision over all property, buildings and equipment owned by the City of Springfield.

As the Local Liquor Commissioner, the Mayor appoints subordinate personnel to assist the Commission in its regulatory functions. These duties include, but are not limited to, reviewing license applications and providing recommendations for approval or denial, conducting public hearings and disposition of complaints, and conducting disciplinary hearings for suspension or revocation of licenses.

The following Boards and Commissions provide special advice or perform specific tasks for, or on behalf of, the Office of the Mayor:

<i>Civil Service Commission</i>	<i>International Visitors Commission</i>
<i>Historic Sites Commission</i>	<i>Liquor Control Commission</i>
<i>Lincoln Library Board</i>	<i>Oak Ridge Cemetery Board</i>
<i>Municipal Band Commission</i>	<i>Bicycle Advisory Board</i>
<i>Senior Citizens Commission</i>	<i>Springfield Disabilities Commission</i>
<i>Building Code Board of Appeals</i>	<i>Electrical Commission</i>
<i>Veterans Commission</i>	<i>Mechanical Commission</i>
<i>Community Relations Commission</i>	<i>Springfield Planning and Zoning Commission</i>
<i>Police Community Review Commission</i>	<i>Springfield Economic Development Commission</i>
<i>Homeless Advisory Commission</i>	

The Mayor also makes appointments to various boards and commissions outside City government. Among them are: the Springfield Housing Authority, the Mid-Illinois Medical District, Springfield Fire Pension Board, Springfield Police Pension Board, Springfield Sangamon County Regional Planning Commission, the Springfield Airport Authority, Sangamon County Board of Health, and Springfield High Speed Rail Community Advisory Commission.

Divisions under the Office of the Mayor include:

Office of Corporation Counsel: The Office of Corporation Counsel represents the City in all matters in which the City is a party or has an interest. Corporation Counsel furnishes legal advice to the Mayor, Aldermen, City Clerk, City Treasurer, Fire Chief, Police Chief, agency directors, and other City officers, and boards and commissions concerning their legal duties and responsibilities. In addition, Corporation Counsel prepares ordinances and resolutions upon the request of City officials, reviews all contracts and written agreements as required, and conducts all litigation pertaining to the City.

The Office of Corporation Counsel also manages two additional functions: Business Licensing and Risk Management. Business Licensing is responsible for ensuring that all businesses within the corporate limits of Springfield, under its jurisdiction, comply with the rules, regulations and resolutions of the City. Risk Management administers the City's property and casualty risk exposures, including workers' compensation. This division focuses on prevention of loss through risk avoidance, and property and casualty responsibilities are managed through a loss control approach. The division also coordinates the self-funded program through the assessment of agency premiums, actuarial and usage review, and departmental safety/loss prevention training. All loss investigation, which includes property, casualty and workers' compensation, are conducted through this division.

Director of Community Relations:

The mission of the Office of Community Relations is to foster effective and considerate interactions among the city's growing and diverse populous. The Office makes deliberate and concerted efforts through education and outreach to inform our citizens about one another and attempt to draw upon the strengths that lie within all of our residents. The Office maintains responsibility to fight against discrimination in employment, housing and public accommodation. To accomplish this mission, a systematic approach to receive, analyze, process, investigate, monitor, and/or redress complaints of unlawful discrimination in the aforementioned areas is utilized. The Office also works cooperatively with other federal, state and/or city public agencies and private entities to address various community needs and concerns such as homeless and economically disadvantaged populations.

Office of Human Resources

The Office of Human Resources administers the City's human resource programs including, but not limited to, recruitment, hiring and compensation plans. The Office also administers the employee benefit program, participates in collective bargaining negotiations and supervises the training of city employees. It assists in the development of a health insurance plan and ensures that the plan is promulgated and disseminated on an annual basis. The Office of Human Resources also serves as staff to the Springfield Civil Service Commission, which oversees Police and Fire entry and promotional testing as well as various tested positions for City, Water, Light and Power.

Office of Budget and Management

The Office of Budget and Management is responsible for all financial transactions of the City and presents the City's annual appropriation ordinance and Comprehensive Annual Financial Report. The following divisions are contained within the agency:

The **Accounting Division** is responsible for maintaining the City's financial records, facilitating the City's accounts payables, preparation of revenue projections, administering the collection of all City-imposed taxes, preparing the City's annual external audit and financial reports, and maintaining the City's fixed asset inventory. This division also oversees all grant activity throughout the City.

The **Budget Division** is responsible for assessing the City's anticipated expenditure needs and preparing and presenting the annual appropriation request. The division reviews all proposed legislation for fiscal impact, monitors all current and future financial trends and prepares position and policy papers on all financial matters. The division provides a variety of research and analysis on an on-going basis.

The **Facility Maintenance Division** is responsible for routine janitorial and maintenance activities of the Municipal Center Complex and provides repair and preventative maintenance advice for the City.

The **Fleet Maintenance Division** was created in FY 2013. It was created with the mission of consolidating all the fleet activities of the City's 13 agencies into a single garage operation. The division is responsible for repair and maintenance of the majority of all city vehicles and equipment.

The **Payroll Division** is responsible for preparing the City's weekly payroll and for maintaining all payroll records for City employees. The division is also the official record keeper of all accrued leave records

The **Purchasing Division** administers the procurement of goods and services for the City under the direction of the Purchasing Agent. The Purchasing Agent serves as chairman of the Specifications Committee and offers technical advice on the preparation of detailed specifications for formal bid documents. The Purchasing Agent also presides over the awarding of bids from formal quotes received from vendors. The division also compiles and monitors the activities of several large citywide purchasing contracts as well as constantly monitors City purchasing trends for possible streamlining and cost reduction policies. Purchases over \$50,000 must be approved by the City Council.

Fire Department

The Fire Department is dedicated to protecting lives and property from fire and other emergencies by providing fire suppression and prevention, emergency medical services, rescue and disaster response, hazardous materials incident mitigation, and public education of citizens. The Fire Department provides these services to all citizens of Springfield, as well as the nine contracted fire protection districts that surround the City including the Illinois State Fairgrounds and University of Illinois at Springfield. The Fire Department also has mutual aid agreements with all of the fire departments in the towns that surround Springfield. The Springfield Fire Department is also a member of the Mutual Aid Box Alarm System (MABAS), which is a statewide mutual aid system divided into Divisions. Springfield is Division 48. The Springfield Fire Department (SFD) has a Hazardous Materials Response Team and a Technical Rescue Team that is part of a statewide deployable system.

The **Fire Department** is led by the Fire Chief and is separated into three divisions: Operations, Fire Safety and Training:

The **Operations Division** consists of a Division Chief, two Deputy Division Chiefs, a civilian Software Specialist, six Battalion Chiefs, twelve engine companies, three ladder companies, and one squad company assigned to twelve fire stations. Additional support vehicles are provided for particular incidents including brush trucks, fuel truck, hazardous material vehicles, technical rescue vehicle, a fire boat and maintenance vehicles. The Operations Division also oversees the implementation and maintenance of all computers, radios, pagers, map plotters, software programs including tornado siren systems and fire records and is responsible for the fire hydrant testing in coordination with the Water Department for the City of Springfield. This Division also works with the Training Division for the instruction of personnel on new and updated software programs, computers, radios, alerting systems.

The **Fire Safety Division's** primary mission is fire prevention through code enforcement, plan review, fire investigation and public education. The Division Chief in charge of this division also serves as the Fire Marshal for the City of Springfield. Other personnel in this division include one senior fire investigator, one public education officer and six fire inspectors/investigators. This division sponsors fire safe programs like Fire Safe Families, a juvenile fire setter program designed to get help to children involved in fire play; Risk Watch, an all hazards education program taught in local elementary schools; and Remembering When, a home safety education program for seniors 65 and older.

The **Training Division** is responsible for keeping all fire personnel trained in the most current techniques available. A Division Chief heads the division with the assistance of three Battalion Chiefs - two serve as Training Officers, the other as the Department Safety Officer. This division trains all new firefighters entering the SFD and coordinates all continuing education programs for fire and EMS training. These programs include classes from the University of Illinois, the National Fire Academy, Lincoln Land Community College and various other venues.

Office of Public Works

The Office of Public Works, through planning, permitting, construction, reconstruction, and repair, is responsible for all public works improvements unless otherwise designated by ordinance. Examples include streets, boulevards, alleys, sidewalks, bridges, viaducts and sewers. The Office administers the subdivision and annexation ordinances and traffic regulations. It also operates the municipal parking facilities and Oak Ridge Cemetery. The Office is comprised of the following departments; Engineering, Traffic Engineering; Motor Vehicle Parking; Streets; Sewer; Oak Ridge Cemetery; Solid Waste; Building and Zoning and Facility Maintenance; Housing and Waste and Recycling.

The **City Engineering Division** oversees the planning, design, construction and maintenance of the City's infrastructure. Whether it is in-house maintenance or new construction, the department ensures that engineering and construction specifications are met. The contracts for street resurfacing, sidewalk repairs and sewer improvements are the responsibility of the Engineering Department. The department reviews proposals for the subdivision and annexation petitions. Land use planning efforts include attention to drainage, sewer and transportation needs.

The **Traffic Engineering Division** promotes the safe and orderly flow of traffic, operates the municipal parking system and enforces parking rules and regulations. The department installs and maintains control devices including signs, pavement markings and signals. The department also is responsible for transportation plans, specifications for construction of traffic signal improvements and street closing petitions.

The **Motor Vehicle Parking Division** reviews parking utilization and monitors revenues. Parking meters are maintained and relocated as necessary to reflect changes in sidewalks, driveways and development activities. The division manages the parking enforcement staff for downtown district meters and enforcement of parking permits. The division provides current needs assessment for downtown parking as well as parking ramp management for all City-owned structures.

The **Streets Division** (Public Works Garage) maintains streets, alleys and sidewalks. The division also maintains and operates a fleet of trucks and heavy equipment for use in construction and repair work. Specialty crews within the division work in diverse areas such as forestry, sidewalk repair, backfill and street patching. The entire division is responsible for safety of City streets during inclement weather as they clear and monitor over 656 lane miles of City streets.

The **Sewer Division** maintains the City sewer system including sanitary, combined and storm sewers and all manholes, catch basin and inlets. Specialized television equipment and flow

monitoring equipment allow the division to monitor the conditions of the sewer system in order to prevent costly problems through early detection.

Oak Ridge Cemetery, home of the Lincoln Tomb, is a national historic site. The tomb is the second most visited cemetery in the nation, with Arlington National Cemetery ranked as number one. In addition to being the final resting place of our 16th president, the site is home to the Illinois Vietnam Memorial, the Korean War Memorial and the World War II Memorial.

The **Solid Waste Division** facilitates the collection and disposal of solid waste in a manner consistent with state, county and federal regulations as well as encouraging and monitoring recycling efforts in the community.

The **Building and Zoning Division** administers and enforces building, mechanical, plumbing, electrical, elevator and zoning regulations and provides inspection services for each of the codes. The division conducts investigations of all zoning complaints. The division schedules public hearings for the Planning and Zoning Commission, docket all cases and serves as technical advisor to the commission. The division maintains the City's official zoning map and provides such information to the public. The division also issues all building permits and conducts plan reviews of permit applications.

The **Housing Division** is responsible for enforcing the city environmental housing codes and addressing unsafe and dangerous structures. This division is responsible for ensuring that safe and clean neighborhoods are maintained throughout the city. The division is also responsible for overseeing the city demolition of court ordered removal of unsafe and dangerous structures.

The **Waste and Recycling division** is responsible for planning, monitoring, and implementing a number of programs and services for city residents. Programs that are supported by the waste and recycling fee fund are the branch and yard waste disposal service, hazardous waste collection, electronic waste collection, and the large item pick up program. This division is responsible for promoting recycling and monitoring waste collection for the City of Springfield.

Lastly, the Office of Public Works provides valuable support for various community activities such as First Night Springfield, Old Capitol Art Fair, Route 66 Festival and numerous parades and events.

Office of Planning and Economic Development

The Office of Planning and Economic Development (OPED) is committed to improving the quality of life for all Springfield residents by: addressing the strategic planning and long-term development needs of the City; encouraging the retention and expansion of existing businesses as well as the attraction of new ones by providing pertinent data base information as requested; maintaining and improving Springfield's neighborhoods as well as protecting and preserving its historic places and structures; encouraging and supporting home ownership and housing redevelopment; assisting community service providers in their work to help those in need.

OPED administers programs to improve the living and working environment of the City. Funding is primarily provided by the U.S. Department of Housing and Urban Development's Community Development Block Grant, HOME funds, and Tax Increment Financing. Programs

focus on the rehabilitation of commercial and residential structures and areas, the development of new job opportunities, assistance to third party community service providers, and the development of plans and strategies to address these focus areas.

The Office works closely with financial institutions, contractors, developers, businesses, not-for-profit agencies, volunteers, and other governmental units and agencies. As part of its mission, OPED administers the City's Enterprise Zone and Tax Increment Financing Districts. The agency provides direct staffing to the Springfield Historic Sites Commission, and the Q5 Partnership.

Police Department

The Police Department is organized to protect the Constitutional Rights of all citizens and to serve the public by preserving civil order, protecting public and private property, reducing crime and aiding individuals who are in danger of harm or in need of assistance.

The Police are under the direction of the **Chief of Police**, who is responsible for the duties of establishing goals and objectives for the department. The Police Chief or his designee has been assigned the task of coordinating the City's efforts with those of other local, state and national agencies to better secure our community in keeping with ongoing Homeland Security efforts. Currently, the **Internal Affairs Section** also reports directly to the Chief of Police and is responsible for investigating citizen and internal complaints involving employees of the Springfield Police Department. Internal Affairs, which is staffed by 2 lieutenants, also acts as the central repository for all complaints and policy violations, even those handled internally by other supervisors.

The Police Department's table of organization and command structure is organized to effectively and efficiently carry out the daily responsibilities of the department. Three Deputy Chiefs manage three divisions in the department: Field Operations, Criminal Investigations and Administrative Services.

The **Field Operations Division** is the largest division within the Police Department. It is comprised of the Patrol Section, Neighborhood Police Officers (NPO's), Field Training Program, Boat Patrol, Traffic Services, School Safety Officers (SSO) and the Canine Unit. In addition, the Hostage Negotiations Team (HNT), the Emergency Response Team (ERT), the Mobile Field Force Team (MFFT), the Crisis Intervention Team (CIT), the Recruiting Team, and the Honor Guard are all within this Division.

- The **Patrol Section** is comprised of seven (7) Watch Lieutenants and eighteen (18) Sergeants who directly supervise the patrol officers assigned to one of the four watches within the Division. The watches facilitate our round-the-clock coverage. The patrol officer's responsibilities include preliminary criminal investigations, community policing, traffic crash investigations, lake patrol and the enforcement of State statutes and City ordinances.
- The **Neighborhood Police Officers** work as a liaison with the citizens of our communities to address and resolve neighborhood crime. Their pro-active role in the community builds respect and partnerships between the community and police. They also conduct neighborhood watch meetings and residential surveys.

- The **Field Training Program** is designed to assist new officers to make the transition from the classroom training academy environment to the direct application of knowledge and skills while executing job responsibilities. Field Training Officers (FTO's) are assigned to a specific probationary officer throughout the training. These officers have received special training and evaluation assignments.
- The **Boat Patrol** is responsible for any and all of the duties as described above under the patrol section. 6 officers are assigned from Memorial Day to the end of October to provide a police presence during special events on the lake.
- The **School Safety Officers** provide a full time presence throughout the school year at all three public high schools. These officers are responsible for maintaining a security presence as well as mentoring the high school students.
- The **Traffic Services Section** administers and coordinates all traffic related activities within the department. The section is involved with the planning of, as well as being active in, numerous special events throughout the year. They plan and coordinate the details for a variety of events ranging from child safety checkpoints to The State Fair Parade and the Route 66 Mother Road Festival just to mention a few. The officers within this section have an increased focus on traffic and DUI enforcement.
- The **Canine Unit** provides services to the Emergency Response Team, the Sangamon County Sheriff's Office, the Illinois State Police, the Federal Bureau of Investigations and various other law enforcement agencies. The handlers are members of the United States Police Canine Association and are certified annually. The dogs and handlers are called on throughout the school year to conduct reasonable searches of school grounds and lockers for illegal drugs.
- The **Emergency Response Team** is a specialty unit highly trained in apprehension, containment and rescue tactics. The team also serves as the WMD/SRT base team for ILEAS Region #6. The team has an integrated emergency medical component made up of sworn officers. Team members are still permanently assigned to various divisions. Being part of this team is in addition to their full time duties. All members must pass a rigorous selection process to be considered for the team.
- The **Mobile Field Force Team** is a combination of officers from SPD as well as other local departments that offer an immediate response within ILEAS Region #6 for any type of unruly crowd or mass gathering situations. These officers are highly trained in crowd control techniques.
- The **Hostage Negotiation Team** responds to suicidal, barricaded or hostage situations to negotiate and bring about a safe and peaceful conclusion. Members complete a (40) hour in house training as well as attend various outside training opportunities. They train monthly to keep current with recent events and bi-annually train jointly with the Emergency Response Team.
- The **Crisis Intervention Team** was initiated in May 2003 to train officers to deal with the mentally ill, particularly in a crisis situation. The officers complete a forty (40) hour Crisis Intervention Team training and have attained state certification. They are trained to recognize signs and symptoms of problems and begin communication to facilitate a resolution. The Team is a cooperative partnership with the Sangamon County Sheriff's Office and the Springfield Mental Health Center.
- The **Recruiting Team** is supervised by a Sergeant and is a group of officers dedicated to recruiting qualified candidates from culturally diverse backgrounds.
- The **Honor Guard** is a team of officers dedicated to services that honor our Nation, State, City, fellow officers and citizens.

The **Criminal Investigations Division** is comprised of two sections, the General Investigations Section and the Special Investigations Section. The sections are overseen by a commander and a lieutenant, with 2 crime analysts assigned to the division.

- **The General Investigations Section** consists of the following units:
 - ✓ The Property Crimes Unit is responsible for hit and run accident investigations, burglary, thefts, motor vehicle thefts, arson and financial related crimes.
 - ✓ The Crime Scene Services Unit is responsible for the collection of all physical evidence related to all crime scenes. In addition, they analyze and preserve the evidence for future criminal court testimony related to their findings. They also conduct crash reconstruction investigations.
 - ✓ The Crime Stoppers position coordinates with the community to deter crime and identify suspects.
- **The Special Investigations Section** consists of the following units:
 - ✓ The Person Crimes Unit is responsible for homicides, criminal sexual assaults, armed robberies, home invasions and assaults.
 - ✓ The Sex Offender Registration Unit is responsible for the registration of all sex offenders legally mandated to do so.
 - ✓ The Narcotics Unit is responsible for short and/or long-term narcotics investigations and conducts street level narcotics investigations which assist in the eradication of neighborhood drug houses.
 - ✓ The Task Force Unit consists of patrol officers and detectives assigned to the various state and federal investigative agencies. Currently there are officers assigned to the ISP Central Illinois Enforcement Group (CIEG), FBI Joint Terrorism Task Force (JTTF), the Drug Enforcement Administration (DEA) and the US Marshal's Violent Fugitive Task Force (USMS).
 - ✓ The Street Crimes Unit is a proactive unit focused on violent crime

The **Administrative Services Division** supports the officers and the mission of the Springfield Police Department and is comprised of the following sections:

- **Records Section** - Maintains all police reports, traffic crashes and related reports. These reports are gathered, separated, distributed, input and available for further investigation.
- **Evidence & Property Section** - Is responsible for the custody of all evidence collected at crime scenes. It must be maintained from recovery through any court proceedings.
- **Supply Section** - Handles all ordering and stocking of office supplies for the Department, along with all forms, reports and uniforms.
- **Planning & Research Section** - Is responsible for special projects assigned by the Chief. In addition, it maintains all department written directives for the City, coordinates department technology with other area agencies as appropriate and is responsible for the purchase, installation, maintenance of all department computers and the department network.
- **Payroll & Fiscal Section** - Maintains all payroll records and is responsible for paying all invoices that come into the Department. Grants coordination also falls within this section which maintains files on all state and federal grants and oversees the billing and accounting for all grant reimbursements due the Department.
- **Messenger Section** handles routine inter-office mail for the Department at its various locations.

- The **Academy** provides continuous training and education programs for Springfield Police Officers and other law enforcement agencies throughout Illinois and surrounding states. The Springfield Police Academy personnel utilize a need-oriented approach to training in order to assure quality instruction and education. Academy personnel also support District 186 and the community through preparedness drills and the Citizens Police Academy.
- **Personnel Section** maintains all personnel records, FMLA and tracks all department vacancies. The Personnel Section handles all light duty assignments and workers compensation.

The **Bureau of Emergency Communications** is tasked with Homeland Security and provides all communication equipment for the Fire and Police Departments. Emergency Communications serves as liaison with the Sangamon County Combined Dispatched System (SCCDS-911) and with local and state law enforcement agencies to ensure compatibility of communication equipment and systems. Emergency Communications also assists all other City departments in the selection, maintenance and training of radio and cellular telephone communication systems.

Convention and Visitors Bureau

The **Springfield Convention and Visitors Bureau (SCVB)** works to enhance the economy and quality of life in the Springfield area by attracting and servicing conventions and visitors to our city. The Bureau's programs are driven by a yearly marketing strategy based on statistical research and program analysis.

The SCVB serves as the marketing arm for the industry in our city. They develop and implement the strategic marketing and sales programs that convince travelers and convention and event planners to choose Springfield over other destinations.

The **Administration Department** provides the policy direction, fiscal management and administrative support necessary for the successful implementation of a Bureau-wide marketing plan. This includes the promotion of local tourism issues and events and the procurement of grant funding for future programs and projects. The Bureau is funded solely through local hotel/motel taxes and state grant funding (also generated through visitor taxes). The Bureau receives 3 percent of the local hotel/motel tax each year as its operating budget. Additionally, the Executive Director works closely with key local, state and national leaders in the tourism industry and is the voice of Springfield's tourism product.

The **Sales, Service and Marketing Departments** have a staff of 11 professional employees. The Sales Department solicits group business to attract convention, meeting, and sports events through active participation in trade shows, proactive outreach to planners thru direct sales efforts, and works with the hotels and facilities to develop competitive proposals.

The Service Department provides services to visitors and convention attendees, assists meeting planners with convention planning ensuring retention, administers central reservation program providing tour schedules for all groups, and works with the hospitality industry to enhance the tourism product and visitor experience.

The Marketing Department publishes promotional materials, places media, and solicits national and regional press coverage of the City by various components of the travel press. In addition, special itineraries and programming are planned for adult and school groups touring the historical sites.

Lincoln Library

Lincoln Library, the Public Library of Springfield, serves the public by providing information and materials for use in the library and at home. The library has a collection of approximately 400,000 items, including books, magazines, compact discs, DVDs, and audio books for customers of all ages. In addition to these materials, the library provides free public access to the Internet and to a number of electronic resources: *Brainfuse* for homework help, Ancestry.com for genealogy, Transparent Languages for foreign language instruction, Value Line for investments, and Learning Express for test preparation for the ACT and the GED. Electronic resources are available in the library with many available from home with a library card. Providing information, in response to in person questions or questions via the phone or email, is part of the service offered by the Reference Services Division.

Lincoln Library provides meeting space for the public and public performance space for library and community programs. The library offers programs children and adults throughout the year. These include: story times, craft programs, book discussion groups, musical performance and lectures. The library maintains a public presence through its newsletter, Facebook and Twitter. The library also has its own website which gives customers access to the library catalog and to information about library programs and services.

Office of Public Utilities (City Water, Light and Power)

The Office of Public Utilities, most commonly referred to as “City, Water, Light and Power (CWLP),” is the municipally-owned electric and water utility serving Springfield and surrounding areas. The mission of CWLP is to provide its customers with the highest quality, most reliable water and electric service at the lowest possible rates, while preserving the continued financial and operating integrity of both utility systems.

CWLP, the largest municipally-owned electric system in Illinois, provided power to 71,363 electric customers during Fiscal Year 2015. The water system provided water to 52,994 retail customers both inside and outside the City of Springfield, along with eight wholesale water customers. Lake Springfield, a 4,200-acre man-made reservoir, serves as the present source of water supply and provides cooling water for CWLP’s coal-fired generating stations.

The overall management of CWLP is currently the responsibility of the Chief Utility Engineer, who is assisted by a number of senior managers who are responsible for supervising one of the Utility Divisions discussed within. In addition to the senior division managers, the Public Information Office also reports directly to the Chief Utility Engineer. The Public Information Office coordinates utility interaction with the news media and the public. It provides customers with information on emergency situations and addresses general inquiries on utility operations.

The Engineering/Operations Division is the largest utility division. More than half of all utility employees are associated with this division, which is comprised of the Electric Department and the Water Department.

CWLP's Electric Generation Facilities consist of four coal-fired power plants; two oil-fired gas peaking turbines; a dual fuel natural gas and oil-fired combustion turbine. System operations are controlled through the Miller Street Dispatch Center that is staffed 24 hours a day. With the aid of the computerized system called SCADA (System Control and Data Acquisition), the Dispatch Center works to minimize electric service interruptions by constantly monitoring load conditions in the transmission and distribution network. In addition to power generation, the Electric Department also completes engineering, design, construction and maintenance projects.

The Energy Services Office offers a variety of services designed to help customers increase comfort and convenience while reducing energy and water costs. These include energy audits, rebate and efficiency programs as well as customer education to encourage efficiency and increase comfort.

The Water Department is responsible for planning, constructing and maintaining the City's integrated water supply, purification, and transmission and distribution system—which includes Lake Springfield, the lakeside Water Purification Plant, three water storage tanks, and approximately 760 miles of water mains. The Water Filtration Plant on the shore of Lake Springfield is staffed 24 hours a day to provide continuous monitoring of the quantity and quality of water delivered to consumers. From the Water Distribution Center, located on Mason Street, engineering staff and maintenance crews complete the construction of new water distribution facilities, as well as maintenance of existing mains, valves, meters and fire hydrants.

The Administrative Services Division performs the property services, security, vehicle maintenance, information technology, energy services, and risk management functions of the utility.

The Property Services Department operates and maintains 342.5 acres of dedicated and undedicated parks and 2,450 acres of marginal land around Lake Springfield, along with 68 miles of lake roads and lanes. This department manages 728 residential leases, 29 leases for various clubs and organizations along with 6 leases for commercial properties located around Lake Springfield. The Property Services Department includes in-house craft personnel who provide repair, maintenance and construction services throughout the utility. This department also provides for the functions of security, vehicle maintenance, and risk management across the utility.

The Information Systems Division provides information technology services for offices for CWLP and all other City agencies.

The Finance Division is responsible for all the overall financial management of the Electric Fund and the Water Fund of the City.

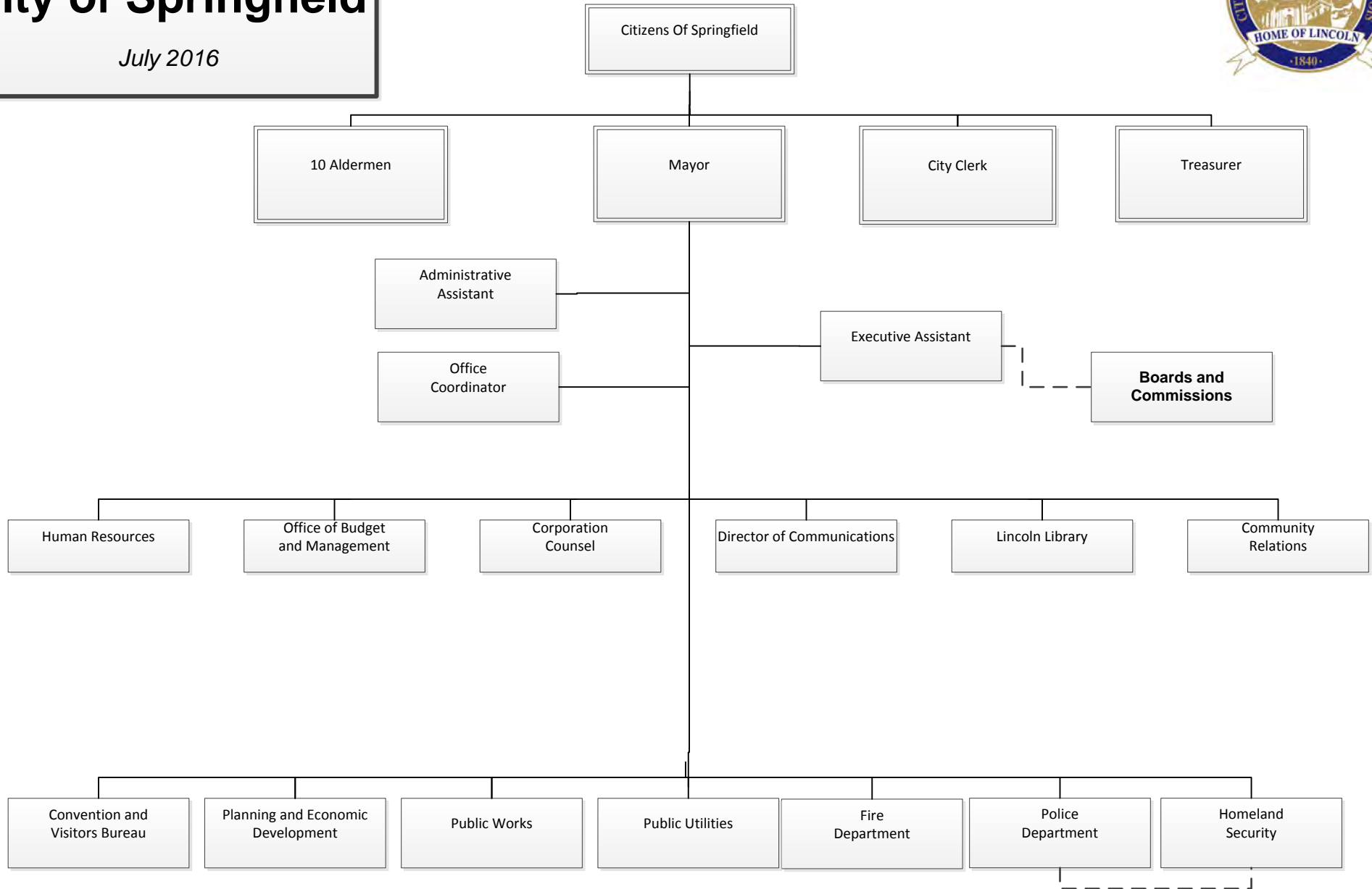
The Commercial Office processes all customer billings and utility bill payments and responds to requests for service connections, disconnections and complaints. This office also administers community assistance programs, such as Project RELIEF and Hand Up, which help to defray the cost of utilities for low income customers and those in need. The General Accounting Office controls payments made with utility funds, controls inventory, and prepares monthly and annual financial reports on CWLP operations. The Fiscal Services Office directs the preparation and monitoring of the Water Fund and Electric Fund budgets, administers rates, plans and implements the bonded debt issuances and performs general financial planning and reporting. The CWLP Purchasing Office coordinates the acquisition of materials and services for division offices.

The Regulatory Affairs Division is responsible for CWLP's relations with other city, county, state and federal government agencies and employee groups. This division also establishes and maintains internal policies, procedures and controls and administers the City ordinance process for all offices within CWLP

The Environmental Health and Safety Office establishes and monitors standards to ensure safe working conditions for all Utility employees. This office also conducts several tests at each stage of the electric and water processes to ensure the City's compliance with state and federal regulations. In addition, it assists in developing projects and procedures that will further reduce any potential negative environmental impacts from the energy and water production activities of CWLP.

City of Springfield

July 2016



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council
City of Springfield, Illinois
Springfield, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Springfield, Illinois, (the City) as of and for the year ended February 29, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Springfield Firefighters' Pension Fund (A Pension Trust Fund of the City of Springfield, Illinois), which represent 30 percent, 36 percent, and 6 percent, respectively, of the assets, net position, and revenues of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the pension trust fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the pension trust funds were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Springfield, Illinois, as of February 29, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The City adopted the GASB Statement No. 68, Accounting and Financial Reporting for Pensions, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68, during the year ended February 29, 2016. The implementation of this guidance resulted in changes to the pension-related expense and certain disclosures in the notes to the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures described above, and the report of other auditors, the combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2016, on our consideration of the City of Springfield, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Springfield, Illinois' internal control over financial reporting and compliance.

Sikich LLP

Springfield, Illinois
September 9, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Management's Discussion and Analysis
Year Ended February 29, 2016**

The City of Springfield's ("the City") discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (approved budget), and (e) identify the individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal letter (beginning on page I-1) and the City's financial statements (beginning with Statement 1).

New for Readers of the FY 2016 Comprehensive Annual Financial Report

The City of Springfield is implementing GASB 68 for the FY 2016 annual audit. GASB 68 is a pronouncement by the Governmental Accounting Standards Board which sets standards for municipal audits such as the City of Springfield's. This pronouncement was issued June 2012 with a requirement to be implemented after June 15, 2014.

The new accounting rule differs from the previous rule in place in that it requires cities such as Springfield to move from including only the annual contributions of their defined pension benefit plans to including the long-term cost of their pension benefits. Our FY 2018 and FY 2019 audit will contain another major change as we implement changes in the reporting of retiree healthcare as required with GASB #74 and GASB #75, respectively.

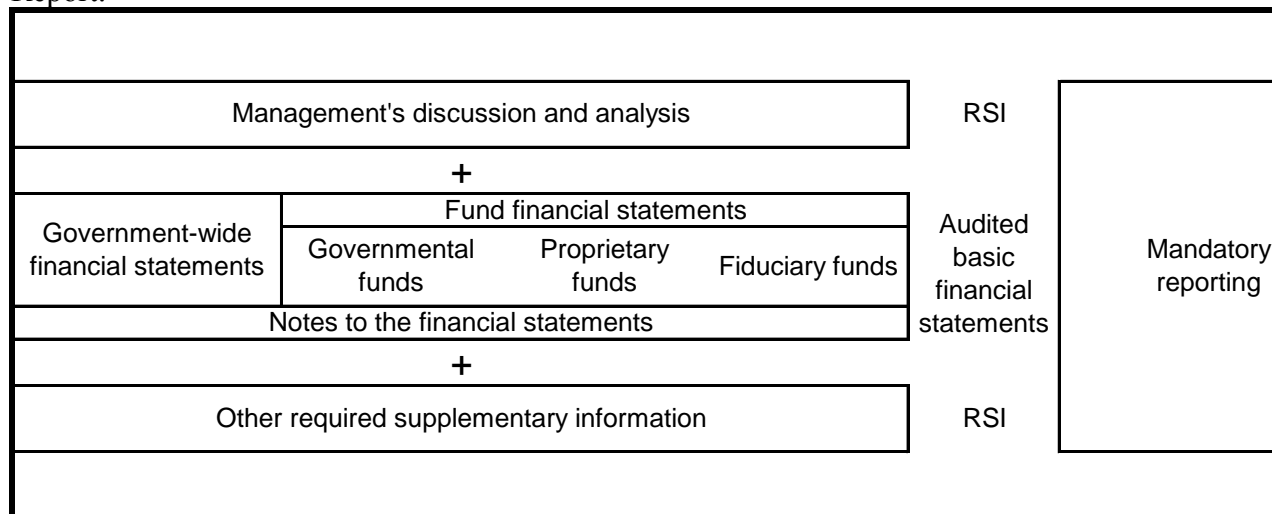
The new rule provides greater transparency to the citizens as well as a more useful management tool for both the administration and the City Council when considering any future financial commitment made by the City. It is important to note that our potential liabilities for defined benefit plans have not increased, but rather are being made more readily available to our citizens. We see GASB 68 as a welcome, useful tool for all.

Financial Highlights

- The assets of the City of Springfield exceeded its liabilities at the close of the fiscal year by \$264,199,866 (net position).
- The City's net position decreased by \$390,704,727 from the previous fiscal year due to the City's implementation of GASB 68 which requires the recognition of net pension liability.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$111,361,785 for an increase of \$21,900,520 in comparison with the prior year.
- At the end of the current fiscal year, unrestricted fund balance for the General Fund improved to \$20,551,975 or 19.0 percent of the total General Fund expenditures.
- The City's total long-term debt (excluding claims, judgments, compensated absences and other postemployment benefits) increased \$16,437,091 during the current fiscal year.

Using this Annual Report

The following graphic depicts the flow of components in the Comprehensive Annual Financial Report.



The financial statement's focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the City's accountability.

Overview of Financial Statements: This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned-but-not-used vacation leave.)

Management's Discussion and Analysis
Year Ended February 29, 2016

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The government activities of the City include general government, public health and safety, culture and recreation, highways and streets, and economic development. The business-type activities of the City include the Electric and Water Operations (Office of Public Utilities) and the Motor Vehicle Parking, Sewer and Oak Ridge Cemetery operations (Office of Public Works).

The government-wide financial statements include not only the City itself (known as the primary government), but also legally separate Police and Fire Pension Plans. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on Statements 1 and 2 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statement. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statement, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statement. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheets and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 30 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Capital Improvement Fund, which are considered to be major funds. Data from the 28 non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in Exhibit 10 and Exhibit 11 of this report.

Management's Discussion and Analysis
Year Ended February 29, 2016

The City adopts an annual appropriation budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget and can be found in Exhibit 1 of this report.

The basic governmental fund financial statements can be found on Statements 3 and 5 of this report.

Proprietary Funds: The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Electric Light and Power, Water, Sewer, Cemetery and Parking System functions. In addition, the City also accounts for a portion of its self-insurance activities within the business-type enterprise funds. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses Internal Service Funds to account for the facility maintenance function, fleet management function, unemployment escrow, and the balance of self-insurance activities. Because these services predominantly benefit government rather than business-type functions, they have been included within governmental activities in the government-wide financial statement. A portion is then allocated to Business-type through internal balances.

Proprietary funds provide the same type of information as the government-wide financial statement, only in more detail. The proprietary fund financial statements provide separate information for the Electric Light and Power and Water Funds, which are considered major funds of the City. The remaining proprietary funds are reported in the aggregate. Individual fund data for each of these nonmajor enterprise funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on Statements 7, 8 and 9 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that for proprietary funds.

The basic fiduciary fund statements can be found on Statements 10 and 11 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide fund financial statements. The notes to the financial statements can be found following Statement 11 of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information. This information can be found beginning with Exhibit 1 of this report.

City of Springfield, Illinois

Management's Discussion and Analysis Year Ended February 29, 2016

The combining statements referred to earlier in connection with the Non-major Governmental Funds, the Non-major Enterprise Funds and the Internal Service Funds are presented immediately following the Required Supplementary Information. Combining and individual fund statements and schedules can be found beginning with Exhibit 10 of this report.

Government-Wide Financial Analysis

Net Position: As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$264,199,866 at the close of the most recent fiscal year.

The following table reflects the condensed Statement of Net Position:

City of Springfield, Illinois Net Position (in 000's) February 29, 2016 and February 28, 2015						
	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets:						
Current and other assets	\$ 170,602	\$ 149,570	\$ 174,215	\$ 181,561	\$ 344,817	\$ 331,131
Capital assets	206,635	195,033	1,139,953	1,151,009	1,346,588	1,346,042
Total Assets	377,237	344,603	1,314,168	1,332,570	1,691,405	1,677,173
Total Deferred Outflow of Resources:	97,278	-	36,204	337	133,482	337
Total assets and deferred outflows of resources	\$ 474,515	\$ 344,603	\$ 1,350,372	\$ 1,332,907	\$ 1,824,887	\$ 1,677,510
Liabilities:						
Long-term liabilities	\$ 631,698	\$ 145,040	\$ 789,335	\$ 712,301	\$ 1,421,033	\$ 857,341
Other liabilities	30,833	57,473	71,902	78,272	102,735	135,745
Total liabilities	662,531	202,513	861,237	790,573	1,523,768	993,086
Total Deferred Inflows of Resources:	35,385	27,929	1,534	1,590	36,919	29,519
Total liabilities and deferred inflows of resources	\$ 697,916	\$ 230,442	\$ 862,771	\$ 792,163	\$ 1,560,687	\$ 1,022,605
Net Position:						
Invested in capital assets, net of related debt	120,812	138,292	499,798	504,708	620,610	643,000
Restricted	23,944	26,029	50,291	51,035	74,235	77,064
Unrestricted (deficit)	(368,157)	(50,160)	(62,488)	(14,999)	(430,645)	(65,159)
Total net position	\$ (223,401)	\$ 114,161	\$ 487,601	\$ 540,744	\$ 264,200	\$ 654,905

A significant portion of the City's net position, \$620.6M as of February 29, 2016, reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Springfield, Illinois

Management's Discussion and Analysis Year Ended February 29, 2016

An additional portion of the City's net position, \$74.2M as of February 29, 2016, represents resources that are subject to external restrictions on how they may be used. Total net position as of February 29, 2016, decreased from the prior year. The net position of governmental activities decreased by \$337.6M and the net position of business-type activities decreased by \$53.1M.

Changes in Net Position: The City's net position decreased by \$390.7M during the current fiscal year due to the implementation of GASB 68.

The next table will spotlight the changes in net position of the governmental and business-type activities.

City of Springfield, Illinois Changes in Net Position
(in 000's)
For the Years Ended February 29, 2016 and February 28, 2015

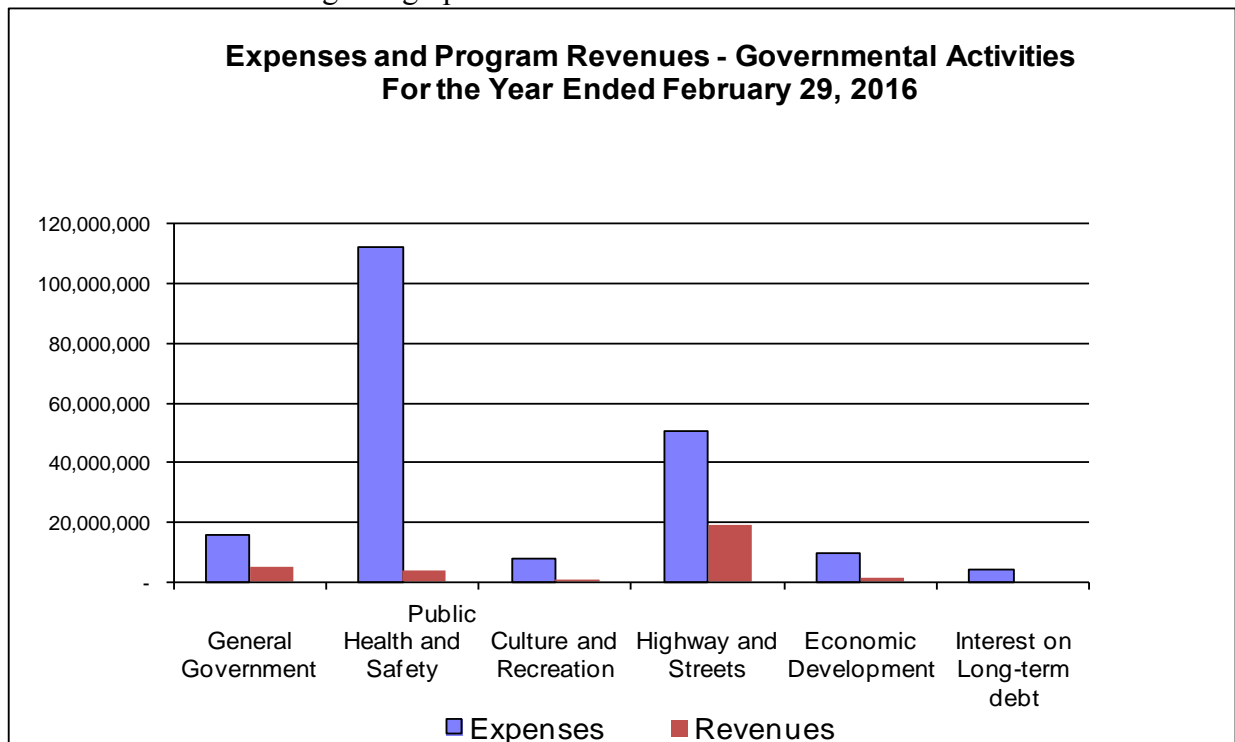
	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 8,824	\$ 9,257	\$ 274,008	\$ 281,268	\$ 282,832	\$ 290,525
Operating grants and contributions	20,986	8,832	-	-	20,986	8,832
Capital grants and contributions	1,056	12,312	3,347	3,811	4,403	16,123
General revenues:						
Property taxes	27,858	27,304	-	-	27,858	27,304
Other taxes	98,381	95,530	-	-	98,381	95,530
Other revenues	1,116	1,340	223	398	1,339	1,738
Total revenues	158,221	154,575	277,578	285,477	435,799	440,052
Expenses:						
General government	15,834	17,005	-	-	15,834	17,005
Public health and safety	112,350	90,820	-	-	112,350	90,820
Highways and streets	50,676	57,232	-	-	50,676	57,232
Economic development	9,861	8,251	-	-	9,861	8,251
Culture and recreation	7,735	6,108	-	-	7,735	6,108
Interest on long-term debt	3,957	3,069	-	-	3,957	3,069
Electric	-	-	234,231	255,163	234,231	255,163
Water	-	-	26,653	26,415	26,653	26,415
Sewer	-	-	8,091	7,732	8,091	7,732
Motor vehicle parking	-	-	934	862	934	862
Oak ridge cemetery	-	-	1,471	1,379	1,471	1,379
Total expenses	200,413	182,485	271,380	291,551	471,793	474,036
Change in net position before transfers	(42,192)	(27,910)	6,198	(6,074)	(35,994)	(33,984)
Transfers	8,815	5,397	(8,815)	(5,397)	-	-
Change in net position	(33,377)	(22,513)	(2,617)	(11,471)	(35,994)	(33,984)
Net position, beginning of year	114,161	136,996	540,744	551,893	654,905	688,889
Prior period adjustment	(304,185)	(322)	(50,526)	322	(354,711)	-
Net position, beginning of year, restated	(190,024)	136,674	490,218	552,215	300,194	688,889
Net position, end of year	\$ (223,401)	\$ 114,161	\$ 487,601	\$ 540,744	\$ 264,200	\$ 654,905

Management's Discussion and Analysis
Year Ended February 29, 2016

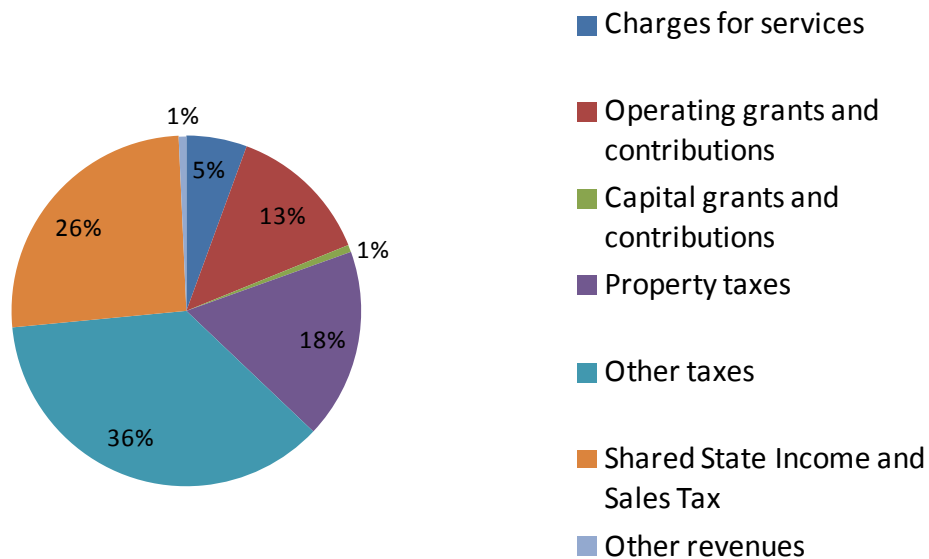
Governmental Activities: The changes in net position of Governmental activities decreased the City's net position by \$337.6M for the year ended February 29, 2016. Governmental revenues increased by \$3.6M and expenses decreased by \$17.9M. Significant economic and programmatic events impacted the City of Springfield's FY 2016 governmental activities. Highlights included:

- Operating revenues increased in the aggregate by \$3.6M with an increase of \$12.2M found in operating grants and contributions. Operating grants and contributions saw a variance in the Motor Fuel Tax activity from \$3.1M in FY 2015 to \$13.3M in FY 2016 or \$10.2M. These revenues are related to railway capital projects. Capital grants and contributions decreased by \$11.3M due to a prior period adjustment and deferred inflow adjustments
- General governmental expenses decreased by \$17.9M. The \$6.6M decrease in Highways and streets is result of adjustments for capitalized/non capitalized expenditures (\$14.1M), reclassifications, and depreciation. FY 2015 Highways and streets expenditures sans adjustments were \$52.2M and FY 2016 levels were \$52.8M. Public Health and Safety pension expense was \$18.1M as a result of the recognition of GASB 68.
- Economic development increased \$1.6M. FY 2015 expenditures sans adjustments were \$7.8M and FY 2016 levels were \$4.3M. Adjustments for reclassifications for capital outlay \$5.0M account for the variance.

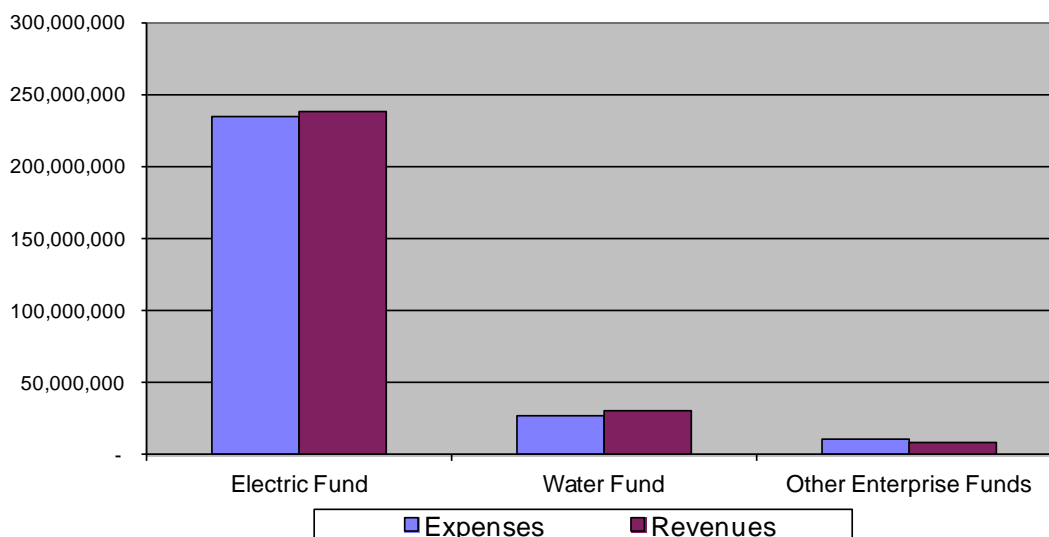
Governmental revenues continue to be primarily generated from sales taxes, property taxes, charges for services and other taxes and revenues. The percentage for each revenue category is illustrated in the following two graphs:



Revenues by Source - Governmental Activities For the Year Ended February 29, 2016



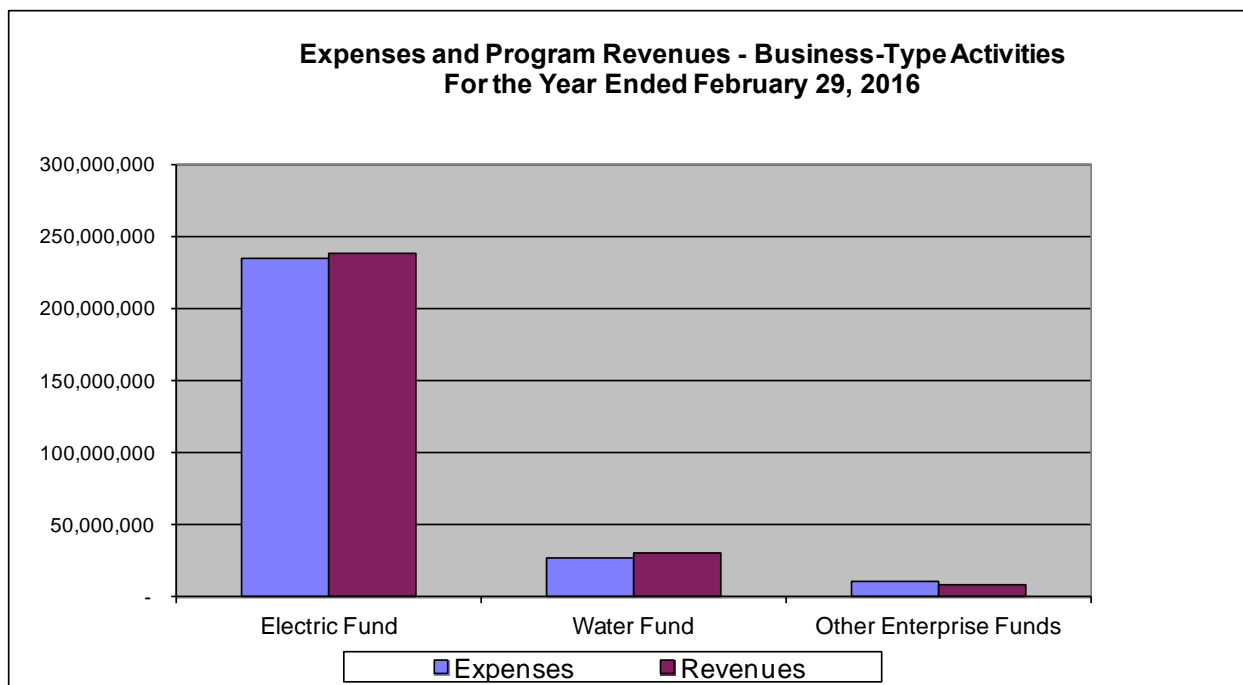
Expenses and Program Revenues - Business-Type Activities For the Year Ended February 29, 2016

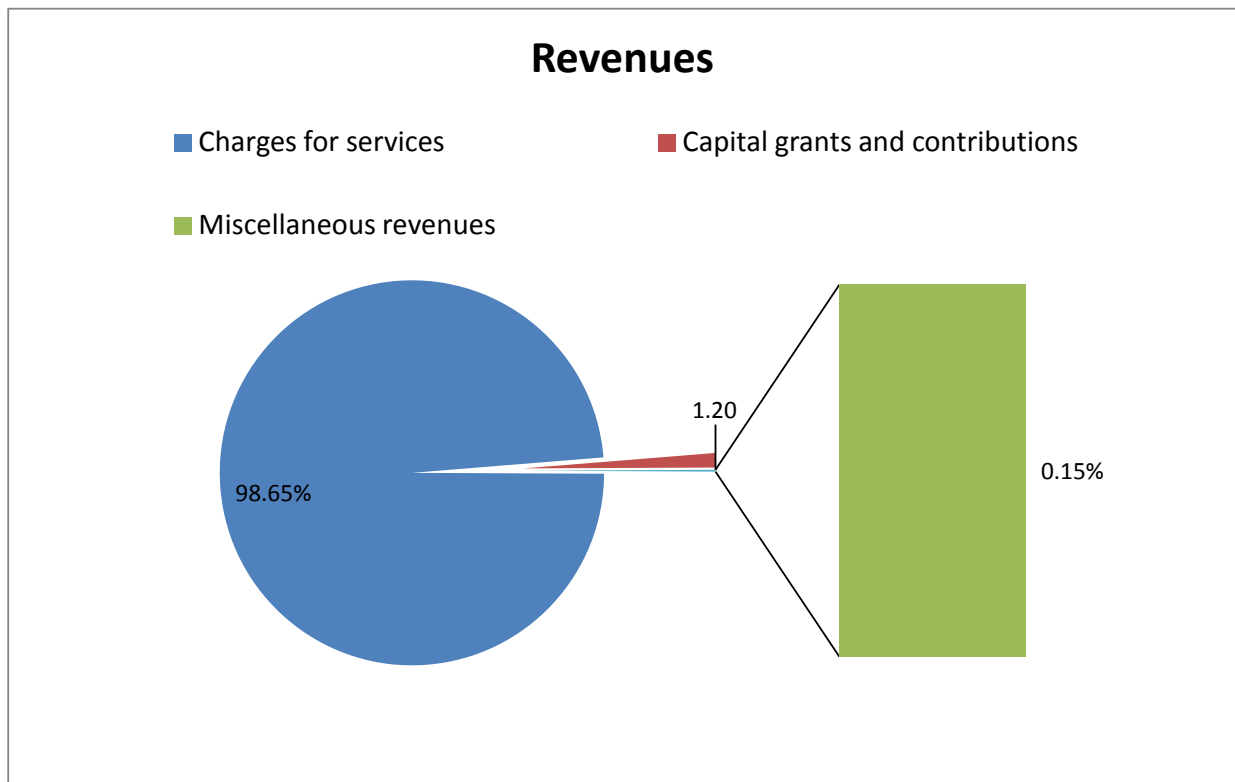


Management's Discussion and Analysis
Year Ended February 29, 2016

Business-Type Activities: Business-type activities decreased the City's change in net position by \$53.1M with major changes being a decrease in the Electric Fund of \$3.6M, an increase in the Water Fund of \$3.2M, and a decrease of \$1.6M in the non-major business-type funds. Business-type revenues decreased \$7.9M and expenses decreased by \$20.2M. The Electric Fund's operating revenues decreased by \$6.9M and the Water Fund's operating revenues decreased by \$0.6M. The Electric Fund's operating expenses decreased by \$18.8 and the Water Fund's operating expenses increased by \$0.8M. Several conditions impacted the City of Springfield's FY 2016 business-type activities. Highlights include:

- The Electric Fund had a rate and debt restructuring while the Water Fund had no changes
- The Electric Fund had a 2.6% decrease in retail energy sold
- The Water Fund had a 2.6% decrease in water sold
- Electric Revenues were \$22.9M (8.6%) below budget
- Electric Wholesale Revenues were \$12.4M (37.8%) below budget
- Water Sales Revenues were \$2.1M (\$6.6M) below budget





Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$111,361,785 for an increase of \$21,900,520. Of the ending fund balance, \$17,510,934 constitutes unrestricted fund balance, which is available for spending at the City's discretion. The remainder of fund balance is reserved and is legally restricted with separate controls, thereby making fund balance unavailable for general government.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unrestricted fund balance of the General Fund was \$20,551,975 and is included in the fund balance in the preceding paragraph. Three agencies account for the majority of the General Fund salary and benefit costs: Police Department, Fire Department and Public Works. Seventy-eight (78%) percent or roughly \$82M of all General Fund salaries and benefits are found in these three categories. These services are funded by six key revenue areas: City Sales Tax, State Sales Tax, Property Tax, State Income Tax, Telecommunications Tax and the Office of Public Utilities PILOT.

Management's Discussion and Analysis
Year Ended February 29, 2016

The Capital Improvement Fund originated with City Council action authorizing a 2% transfer of the previous fiscal year adjusted gross corporate revenues. The original revenue stream was enhanced with sales and hotel tax increases. The City Council approved a three year infrastructure improvement program that will be financed by an \$80 million bond issue. The FY16 budgeted portion of the three year program provided \$32.5M in expenditure authority for infrastructure improvements.

The fund balance of the City's General Fund increased by \$2,718,472 in the year ended February 29, 2016. This is a result of various revenue and expense initiatives discussed in the Transmittal Letter.

Proprietary Funds: The City's Proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net assets of all business-type funds was (\$59,307,782) at the end of fiscal year 2016. Unrestricted net assets of the major business-type funds were (\$42,753,849) and (\$11,395,515) for the Electric Light and Power Fund and the Water Fund, respectively.

The Electric Fund's net position decreased by 42,043,798 while the net position of the Water Fund decreased by \$6,344,390 for FY 2016.

Water Fund operating income dropped \$1,366,093 or 18.9% from FY 2015 to FY 2016 while Electric Fund operating income increased \$11,849,350 or 65%.

General Fund Budgetary Highlights

The increase between the original expenditure and transfers out budget and the final amended expenditure and transfers out budget totaled \$854K. This increase represents a .72 percent increase over the original budget for FY 2016. The budgetary increases are highlighted as follows:

\$300K was made available to increase the City's program cost for the demolition of unsafe structures.

\$450K accommodated the acquisition of emergency communication equipment for the Springfield Fire Department.

The City saw significant variances in the General Fund between the amended budget and actual expenditures as of February 29, 2016. The General Fund year-end actual expenditures and transfers out were \$3.6M under the amended budget for the same period. As discussed in the transmittal letter, City administrators enacted stringent spending controls in reaction to economic downturns. Major results of the controlled spending were:

- \$1.6M aggregate lapse in personal services due to continued contract negotiations in the Police (PBPA) and Fire (IAFF) contracts resulting in delayed salary increases.
- \$823K lapse in the aggregate electronic data processing lines as a result of the timing of the ERP upgrade project.

City of Springfield, Illinois

Management's Discussion and Analysis Year Ended February 29, 2016

Capital Assets and Debt Administration

Capital Assets: The City's investment in capital assets for its governmental and business-type activities as of February 29, 2016, amounts to \$1,346,588,529 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements machinery and equipment, park facilities, roads, highways, bridges and construction in progress. The total increase in the City's investment in capital assets (net of accumulated depreciation) for the current fiscal year was \$547,020.

The City's new electric generating plant has a value of \$500M. The depreciation associated with the plant will tend to negate any increases in assets in other areas. The plant will depreciate over a period of about 40 years.

The following table illustrates the changes in capital assets:

City of Springfield, Illinois Capital Assets
(net of depreciation)
February 29, 2016 and February 28, 2015

	Governmental		Business-type		Total	
	activities		activities			
	2016	2015	2016	2015	2016	2015
Land	\$ 22,506,915	\$ 19,589,420	\$ 45,622,399	\$ 45,414,182	\$ 68,129,314	\$ 65,003,602
Buildings and system	20,672,455	22,081,046	560,792,870	573,907,992	581,465,325	595,989,038
Machinery and equipment	9,721,443	9,231,393	237,651,579	246,903,629	247,373,022	256,135,022
Infrastructure	137,294,663	127,861,485	276,826,696	276,147,613	414,121,359	404,009,098
Construction in progress	16,439,745	16,269,361	19,059,764	8,635,388	35,499,509	24,904,749
Total	\$ 206,635,221	\$ 195,032,705	\$ 1,139,953,308	\$ 1,151,008,804	\$ 1,346,588,529	\$ 1,346,041,509

Additional information on the City's capital assets can be found in note 8 to the financial statements.

Long-Term Debt: At the end of the current fiscal year, the City had total debt (excluding claims and judgments, compensated absences, and other postemployment benefits) outstanding of \$790,052,298. Of this amount, \$ 97.9M is debt backed by the full faith and credit of the City and \$661.6M is debt associated with revenue streams from business-type activities.

City of Springfield, Illinois

Management's Discussion and Analysis Year Ended February 29, 2016

City of Springfield, Illinois Outstanding Debt General Obligation and Revenue Bonds February 29, 2016 and February 28, 2015

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 97,871,104	\$ 68,416,346	\$ -	\$ -	\$ 97,871,104	\$ 68,416,346
Taxable tax increment bonds	18,910,415	19,039,359	-	-	18,910,415	19,039,359
Revenue bonds	-	-	661,618,916	673,455,401	661,618,916	673,455,401
Capital leases	5,511,041	6,310,742	-	-	5,511,041	6,310,742
Loans	-	-	6,140,823	6,393,559	6,140,823	6,393,559
Total	\$ 122,292,560	\$ 93,766,447	\$ 667,759,739	\$ 679,848,960	\$ 790,052,299	\$ 773,615,407

The City's total debt as shown above increased \$16,437,092 during the current fiscal year. General obligation debt was increased by \$29.5M, and debt from revenue bonds decreased by \$11.8M.

The City of Springfield received an A1 stable outlook rating from Moody's Investor Service in January 2016. Standard and Poor's reaffirmed the City at AA stable outlook in January 2016 as well.

The City of Springfield is designated a Home Rule unit as defined in Article 7 of the Constitution of the State of Illinois. As of February 29, 2016, the Illinois General Assembly had not placed a limit on the amount of debt home rule municipalities may incur.

Additional information on the City's long-term debt can be found in note 9 to the financial statements.

Economic Factors and Next Year's Budget

- The City continues to benefit from controlling the cost of salaries and benefits.
- During FY 2017 the City will continue negotiations with both the Police Benevolent and Protective Association (PBPA) representing the City's police officers with an employment base of \$17.8M and the International Association of Fire Fighters (IAFF) representing the City's firefighters with an employment base of \$16.8M.
- Cost containment and the use of spending reserves remains key to the continued improvement of financial position.
- The City continues to see financial benefits from the consolidation of the fleet function. Ongoing analysis of staffing and business processes provides continuous refinement of the newly combined fleet facility.

**Management's Discussion and Analysis
Year Ended February 29, 2016**

- The University of Illinois Flash Index decreased from 106.8 in January 2015 to 105.3 in January 2016. The index is a weighted average based on state corporate, personal income and sales tax receipts. Any number below 100 indicates economic contraction.
- Springfield's economy has remained relatively stable the past several years despite the national and regional downturns. The unemployment rate remains virtually unchanged with a December 2014 rate of 6.2 compared to the December 2015 rate of 6.1%.
- Almost all sectors have endured a downturn and retail trade along with the finance, insurance and real estate (FIRE) industries have borne the brunt of the recent recession. However, health care and hospitality have remained stable and provide the impetus for much of the employment and construction activity.

All of these factors were considered in preparing the City's budget for the 2017 budget year.

Requests for Information

This financial report is designed to provide a general overview of the City of Springfield's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: William D. McCarty II, Director, Office of Budget & Management, City of Springfield, Room 210, Municipal Center West, Springfield, Illinois 62701.

Component Units

The Springfield Police and Firefighters' Pension Plans are considered blended component units and are reported as if they were a part of the City. However, separately issued financial statements for each Plan may be obtained from the address indicated in Note 1 to the financial statements.

BASIC FINANCIAL STATEMENTS

CITY OF SPRINGFIELD, ILLINOIS

STATEMENT OF NET POSITION

February 29, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 43,070,586	\$ 24,901,154	\$ 67,971,740
Investments	-	724,482	724,482
Interest receivable	6,661	5,472	12,133
Local taxes receivable	50,069,173	-	50,069,173
Accounts receivable, net	-	42,825,536	42,825,536
Notes receivable, net	2,695,443	-	2,695,443
Grant receivable	6,105,983	1,249,143	7,355,126
Due from fiduciary funds	437,142	-	437,142
Internal balances	9,389,660	(9,389,660)	-
Other receivables	727,761	-	727,761
Inventory	-	23,311,607	23,311,607
Prepaid expenses	-	1,809,964	1,809,964
Other assets	4,031	15,811	19,842
Restricted cash and cash equivalents	57,494,981	78,224,212	135,719,193
Restricted investments	600,000	8,501,094	9,101,094
Restricted accrued interest receivable	-	7,903	7,903
Prepaid insurance	-	494,233	494,233
Service concession arrangement receivable	-	1,533,797	1,533,797
Capital assets, not depreciated	38,946,660	64,682,163	103,628,823
Capital assets, net of depreciation	167,688,561	1,075,271,145	1,242,959,706
Total assets	377,236,642	1,314,168,056	1,691,404,698
Deferred Outflows of Resources:			
Pension items - IMRF	10,518,568	25,991,094	36,509,662
Pension items - Pension Trust Funds	86,759,621	-	86,759,621
Loss on refunding	-	10,213,319	10,213,319
Total deferred outflows of resources	97,278,189	36,204,413	133,482,602
Total assets and deferred outflows of resources	\$ 474,514,831	\$ 1,350,372,469	\$ 1,824,887,300

The accompanying notes are an integral part of these financial statements.

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Liabilities:			
Accounts payable	\$ 9,332,203	\$ 28,481,961	\$ 37,814,164
Other payables	352,977	17,407	370,384
Accrued payroll	2,681,492	2,924,204	5,605,696
Accrued interest	1,456,103	8,518,351	9,974,454
Deposit payable	-	1,543,686	1,543,686
Due to other governments	-	3,634,718	3,634,718
Unearned revenue	-	3,594,574	3,594,574
Compensated absences payable:			
Due within one year	5,202,745	4,289,716	9,492,461
Due beyond one year	7,396,694	3,602,708	10,999,402
Claims and judgments:			
Due within one year	6,410,580	823,956	7,234,536
Due beyond one year	2,179,062	1,288,752	3,467,814
Long-term debt:			
Due within one year	5,396,510	18,073,820	23,470,330
Due beyond one year	116,896,049	649,685,919	766,581,968
Net pension liability	415,695,040	75,496,885	491,191,925
Other postemployment benefit obligations	89,531,629	59,260,510	148,792,139
Total liabilities	662,531,084	861,237,167	1,523,768,251
Deferred Inflows of Resources:			
Deferred property taxes	28,054,394	-	28,054,394
Pension items - Pension Trust Funds	7,330,992	-	7,330,992
Deferred service concession arrangement	-	1,533,797	1,533,797
Total deferred inflows of resources	35,385,386	1,533,797	36,919,183
Total liabilities and deferred inflows of resources	697,916,470	862,770,964	1,560,687,434
Net position:			
Net investment in capital assets	120,811,832	499,798,064	620,609,896
Restricted for public safety	1,223,135	-	1,223,135
Restricted for endowment care, nonexpendable	-	4,056,218	4,056,218
Restricted for debt service	1,740,567	31,090,394	32,830,961
Restricted for system repairs and improvements	-	15,144,756	15,144,756
Restricted for capital projects	1,754,963	-	1,754,963
Restricted for culture and recreation	28,531	-	28,531
Restricted for highways and streets	9,520,584	-	9,520,584
Restricted for economic development	9,675,905	-	9,675,905
Unrestricted (deficit)	(368,157,156)	(62,487,927)	(430,645,083)
Total net position	\$ (223,401,639)	\$ 487,601,505	\$ 264,199,866

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

STATEMENT OF ACTIVITIES

Year Ended February 29, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 15,834,011	\$ 5,184,222	\$ -	\$ -
Public health and safety	112,349,673	1,683,535	2,253,749	-
Culture and recreation	7,734,835	76,701	960,499	-
Highway and streets	50,675,482	1,872,906	16,237,446	1,056,391
Economic development	9,861,283	7,216	1,533,951	-
Interest on long-term debt	3,957,466	-	-	-
Total governmental activities	200,412,750	8,824,580	20,985,645	1,056,391
Business-type activities:				
Electric Fund	234,230,656	237,772,754	-	874,301
Water Fund	26,652,983	28,367,672	-	1,542,103
Sewer Fund	8,090,911	6,177,450	-	905,793
Motor Vehicle Parking Fund	934,718	816,657	-	-
Oak Ridge Cemetery Fund	1,470,782	873,733	-	25,000
Total business-type activities	271,380,050	274,008,266	-	3,347,197
Total primary government	\$ 471,792,800	\$ 282,832,846	\$ 20,985,645	\$ 4,403,588
General revenues:				
Taxes				
Property tax				
City sales tax				
Use tax				
Personal property replacement tax				
Miscellaneous and hotel/motel taxes				
Shared state income tax				
Shared state sales tax				
Non-utility property operations				
Miscellaneous revenues				
Unrestricted investment earnings				
Transfers in (out)				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year				
Prior period adjustment				
Net position, beginning of year, restated				
Net position, end of year				

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (10,649,789)	\$ -	\$ (10,649,789)
(108,412,389)	-	(108,412,389)
(6,697,635)	-	(6,697,635)
(31,508,739)	-	(31,508,739)
(8,320,116)	-	(8,320,116)
(3,957,466)	-	(3,957,466)
(169,546,134)	-	(169,546,134)
-	4,416,399	4,416,399
-	3,256,792	3,256,792
-	(1,007,668)	(1,007,668)
-	(118,061)	(118,061)
-	(572,049)	(572,049)
-	5,975,413	5,975,413
\$ (169,546,134)	\$ 5,975,413	\$ (163,570,721)
27,857,691	-	27,857,691
42,253,155	-	42,253,155
4,728,068	-	4,728,068
2,692,271	-	2,692,271
7,874,487	-	7,874,487
12,412,961	-	12,412,961
28,419,785	-	28,419,785
-	74,890	74,890
1,027,668	336,173	1,363,841
88,288	(187,811)	(99,523)
8,814,746	(8,814,746)	-
136,169,120	(8,591,494)	127,577,626
(33,377,014)	(2,616,081)	(35,993,095)
114,160,561	540,744,032	654,904,593
(304,185,186)	(50,526,446)	(354,711,632)
(190,024,625)	490,217,586	300,192,961
\$ (223,401,639)	\$ 487,601,505	\$ 264,199,866

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

GOVERNMENTAL FUNDS
BALANCE SHEET

February 29, 2016

	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Cash and cash equivalents	\$ 897,617	\$ 32,622,384	\$ 2,093,712	\$ 35,613,713
Local taxes receivable	39,234,460	3,814,070	7,020,643	50,069,173
Notes receivable, net	-	-	2,695,443	2,695,443
Grant receivable	54,854	-	6,051,129	6,105,983
Other receivables	420,557	5,189	1,823	427,569
Due from fiduciary funds	436,696	-	446	437,142
Interfund receivables	6,620,402	-	4,925,646	11,546,048
Other assets	-	-	4,031	4,031
Restricted cash and cash equivalents	1,218,015	35,813,305	18,157,609	55,188,929
Total assets	<u>\$ 48,882,601</u>	<u>\$ 72,254,948</u>	<u>\$ 40,950,482</u>	<u>\$ 162,088,031</u>
Liabilities, Deferred Inflows of Resources and Fund Balance				
Liabilities:				
Accounts payable	\$ 2,003,250	\$ 590,660	\$ 5,796,098	\$ 8,390,008
Other payables	352,977	-	-	352,977
Accrued payroll	1,382,462	3,320	1,219,676	2,605,458
Interfund payable	1,763,943	-	3,577,650	5,341,593
Total liabilities	<u>5,502,632</u>	<u>593,980</u>	<u>10,593,424</u>	<u>16,690,036</u>
Deferred inflows of resources:				
Unavailable property taxes	21,533,802	-	6,520,592	28,054,394
Unavailable revenues	145,285	-	5,836,531	5,981,816
Total deferred inflows of resources	<u>21,679,087</u>	<u>-</u>	<u>12,357,123</u>	<u>34,036,210</u>
Total liabilities and deferred inflows of resources	<u>27,181,719</u>	<u>593,980</u>	<u>22,950,547</u>	<u>50,726,246</u>
Fund Balance:				
Nonspendable	-	-	4,031	4,031
Restricted				
Economic development	-	-	4,499,466	4,499,466
Capital projects	-	34,270,992	1,801,544	36,072,536
Highways and streets	-	-	8,955,295	8,955,295
Public safety	-	-	1,011,578	1,011,578
Debt service	-	1,542,314	2,349,850	3,892,164
Unrestricted				
Committed	144,667	-	2,419,212	2,563,879
Assigned	1,004,240	35,847,662	-	36,851,902
Unassigned (deficit)	20,551,975	-	(3,041,041)	17,510,934
Total fund balance	<u>21,700,882</u>	<u>71,660,968</u>	<u>17,999,935</u>	<u>111,361,785</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 48,882,601</u>	<u>\$ 72,254,948</u>	<u>\$ 40,950,482</u>	<u>\$ 162,088,031</u>

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

Reconciliation of Total Governmental Fund Balances to the
Net Position of Governmental Activities

February 29, 2016

Total governments fund balances (Statement 3)		\$ 111,361,785
Amounts reported for governmental activities in the statement of net position (Statement 1) are different because:		
Net capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		206,635,221
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		5,981,816
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings for Pension Trust Funds are recognized as deferred outflows and inflows of resources on the statement of net position.		79,428,629
Differences between expected and actual experiences, assumptions changes, net differences between projected and actual earnings for IMRF are recognized as deferred outflows of resources on the statement of net position.		10,518,568
Internal Service Funds are used by management to charge the costs of Self Insurance, Unemployment Compensation, supplies, postage and printing services to individual funds. The assets and liabilities of the internal service funds are appropriated between the governmental activities and the business-type activities in the statement of net position.		
Current assets	7,763,726	
Noncurrent assets	2,906,052	
Internal balances	5,060	
Current liabilities	(8,232,703)	
Noncurrent liabilities	<u>(8,230,691)</u>	(5,788,556)
Internal service funds allocated to business-type activities		3,180,145
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	(106,940,414)	
Bond premium	(10,095,128)	
Bond discount	254,024	
Capital leases payable	(5,511,041)	
Accrued interest	(1,456,103)	
Compensated absences	(5,743,916)	
IMRF net pension liability	(30,498,488)	
Pension Funds net pension liability	(385,196,552)	
Other postemployment benefit obligations	<u>(89,531,629)</u>	
Subtotal		<u>(634,719,247)</u>
Net position of governmental activities (Statement 1)		<u>\$ (223,401,639)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Year Ended February 29, 2016

	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
Property tax	\$ 21,268,745	\$ -	\$ 6,588,946	\$ 27,857,691
State Sales tax	28,419,785	-	-	28,419,785
City Sales tax	27,920,128	13,960,064	372,963	42,253,155
Use tax	4,728,068	-	-	4,728,068
Motor fuel tax	-	-	2,866,844	2,866,844
Miscellaneous and hotel/motel taxes	3,467,913	2,600,920	1,805,654	7,874,487
Fees for services	2,757,289	224,425	646,146	3,627,860
Investment income	29,779	-	42,019	71,798
Intergovernmental	16,040,672	-	16,907,560	32,948,232
Intragovernmental	518,449	-	-	518,449
Licenses and permits	1,266,006	-	-	1,266,006
Fines and citations	1,196,845	-	-	1,196,845
Franchise fees	2,215,420	-	-	2,215,420
Miscellaneous	506,126	10,888	599,982	1,116,996
Total revenues	<u>110,335,225</u>	<u>16,796,297</u>	<u>29,830,114</u>	<u>156,961,636</u>
Expenditures:				
Current:				
General government	11,302,929	-	636,719	11,939,648
Public health and safety	82,231,485	-	443,560	82,675,045
Culture and recreation	4,044,076	-	2,077,868	6,121,944
Highway and streets	12,432,822	26,979,243	13,421,604	52,833,669
Economic development	448,524	-	4,296,582	4,745,106
Capital outlay	1,980,650	587,257	7,874,229	10,442,136
Debt service				
Principal	-	171,690	12,828,893	13,000,583
Interest	-	2,194,096	1,896,399	4,090,495
Total expenditures	<u>112,440,486</u>	<u>29,932,286</u>	<u>43,475,854</u>	<u>185,848,626</u>
Excess (deficiency) of revenues over expenditures	<u>(2,105,261)</u>	<u>(13,135,989)</u>	<u>(13,645,740)</u>	<u>(28,886,990)</u>
Other financing sources (uses):				
Issuance of long-term debt	-	29,125,000	8,665,238	37,790,238
Bond premium	-	3,086,985	764,871	3,851,856
Bond discount	-	(75,529)	(40,701)	(116,230)
Capital lease issuance	446,900	-	-	446,900
Transfers in	8,512,317	1,964,892	3,989,272	14,466,481
Transfers out	(4,135,484)	(1,461,221)	(55,030)	(5,651,735)
Total other financing sources (uses)	<u>4,823,733</u>	<u>32,640,127</u>	<u>13,323,650</u>	<u>50,787,510</u>
Net change in fund balance	<u>2,718,472</u>	<u>19,504,138</u>	<u>(322,090)</u>	<u>21,900,520</u>
Fund balances at beginning of year	<u>18,982,410</u>	<u>52,156,830</u>	<u>18,322,025</u>	<u>89,461,265</u>
Fund balances at end of year	<u>\$ 21,700,882</u>	<u>\$ 71,660,968</u>	<u>\$ 17,999,935</u>	<u>\$ 111,361,785</u>

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities

Year Ended February 29, 2016

Net changes in fund balance, total governmental funds (Statement 5)		\$ 21,900,520
Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. These amounts are as follows:		
Capital outlay	16,707,025	
Depreciation	(7,057,055)	
Subtotal		9,649,970
The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, donations and disposals) is to increase net position.		
Disposals of capital assets		(2,662,269)
Contributions of capital assets		4,614,815
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(3,376,468)
The change in deferred outflows of resources for IMRF is reported only in the statement of activities.		10,518,567
The change in deferred outflows of resources for the Pension Trust Funds is reported only in the statement of activities.		79,428,629
The change in the net pension liability for the Pension Trust Funds is reported only in the statement of activities		(97,510,183)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts comprise these differences in the treatment of long-term debt and related items.		
Issuance of debt	(38,237,138)	
Bond premiums, net	(3,735,626)	
Amortization of bond premium and bond discount	445,868	
Principal repayments:		
General obligation debt	11,485,000	
Taxable tax increment bonds	269,182	
Capital leases	1,246,601	
Subtotal		(28,526,113)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences	(67,078)	
Other postemployment benefits	(18,331,137)	
IMRF net pension liability	(7,874,814)	
Accrued interest	(312,839)	
Subtotal		(26,585,868)
Internal Service Funds are used by management to charge the costs of Self Insurance, Unemployment Compensation and supplies, postage and certain printing services to individual funds. A portion of net revenue is reported with governmental activities.		(828,614)
Change in net assets of governmental activities (Statement 2)		<u>\$ (33,377,014)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

February 29, 2016

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Electric Light and Power Fund	Water Fund	Other Enterprise Funds	Total	
Assets					
Current assets:					
Cash and cash equivalents	\$ 14,606,967	\$ 9,405,122	\$ 889,065	\$ 24,901,154	\$ 7,456,873
Investments	245,000	-	479,482	724,482	-
Interest receivable	-	-	5,472	5,472	6,661
Accounts receivable, net	35,500,278	3,827,505	3,497,753	42,825,536	-
Grants receivable	-	-	1,249,143	1,249,143	-
Other receivables	-	-	-	-	300,192
Interfund receivables	892,201	252,475	1,772,360	2,917,036	1,797,154
Inventory	21,757,757	1,157,367	396,483	23,311,607	-
Prepaid expenses	1,709,213	100,751	-	1,809,964	-
Other assets	-	15,811	-	15,811	-
Total current assets	74,711,416	14,759,031	8,289,758	97,760,205	9,560,880
Noncurrent assets:					
Capital assets:					
Capital assets not being depreciated	24,354,615	37,634,848	2,692,700	64,682,163	-
Capital assets being depreciated, net	836,319,665	189,913,052	49,038,428	1,075,271,145	-
Total capital assets	860,674,280	227,547,900	51,731,128	1,139,953,308	-
Restricted cash and cash equivalents	45,742,731	31,973,221	508,260	78,224,212	2,306,052
Restricted investments	2,495,475	2,250,112	3,755,507	8,501,094	600,000
Restricted accrued interest receivable	5,297	2,606	-	7,903	-
Prepaid insurance	494,233	-	-	494,233	-
Service concession arrangement receivable	-	-	1,533,797	1,533,797	-
Total noncurrent assets	909,412,016	261,773,839	57,528,692	1,228,714,547	2,906,052
Total assets	984,123,432	276,532,870	65,818,450	1,326,474,752	12,466,932
Deferred outflows of resources					
IMRF Pension	19,815,707	4,923,381	1,252,006	25,991,094	-
Loss on refunding	10,035,583	177,736	-	10,213,319	-
Total deferred outflows of resources	29,851,290	5,101,117	1,252,006	36,204,413	-
Total assets and deferred outflows of resources	\$ 1,013,974,722	\$ 281,633,987	\$ 67,070,456	\$ 1,362,679,165	\$ 12,466,932

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

February 29, 2016

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Electric Light and Power Fund	Water Fund	Other Enterprise Funds	Total	
Liabilities					
Current liabilities:					
Accounts payable	\$ 23,140,078	\$ 3,848,225	\$ 1,493,658	\$ 28,481,961	\$ 942,195
Accrued payroll	2,273,727	572,556	77,921	2,924,204	76,034
Compensated absences payable	3,376,119	754,638	158,959	4,289,716	803,894
Claims and judgments	683,281	140,675	-	823,956	6,410,580
Accrued interest	6,499,687	2,004,334	14,330	8,518,351	-
Interfund payable	7,350,095	668,794	1,107,662	9,126,551	1,792,094
Deposit payable	1,543,686	-	-	1,543,686	-
Due to other governments	-	-	3,634,718	3,634,718	-
Loans payable - due within one year	-	332,831	450,989	783,820	-
Revenue bonds payable - due within one year	14,585,000	2,705,000	-	17,290,000	-
Total current liabilities	59,451,673	11,027,053	6,938,237	77,416,963	10,024,797
Noncurrent liabilities:					
Compensated absences	2,867,629	686,473	48,606	3,602,708	6,051,629
Claims and judgments	1,068,721	220,031	-	1,288,752	2,179,062
Other payables	-	17,407	-	17,407	-
Unearned revenue	2,675,325	-	919,249	3,594,574	-
Loans payable - less current portion	-	3,496,087	1,860,916	5,357,003	-
Revenue bonds payable - less current portion	556,602,020	87,726,896	-	644,328,916	-
IMRF net pension obligation	57,559,109	14,301,049	3,636,727	75,496,885	-
Other postemployment benefits obligation	45,273,553	10,171,056	3,815,901	59,260,510	-
Total noncurrent liabilities	666,046,357	116,618,999	10,281,399	792,946,755	8,230,691
Total liabilities	725,498,030	127,646,052	17,219,636	870,363,718	18,255,488
Deferred inflows of resources					
Deferred service concession arrangement	-	-	1,533,797	1,533,797	-
Total liabilities and deferred inflows of resources	725,498,030	127,646,052	18,753,433	871,897,515	18,255,488
Net position (deficit):					
Net investment in capital assets	295,266,766	155,112,075	49,419,223	499,798,064	-
Restricted for perpetual care, nonexpendable	-	-	4,056,218	4,056,218	-
Restricted for system repairs and improvements	7,601,833	7,542,923	-	15,144,756	-
Restricted for debt service	28,361,942	2,728,452	-	31,090,394	-
Unrestricted (deficit)	(42,753,849)	(11,395,515)	(5,158,418)	(59,307,782)	(5,788,556)
Total net position (deficit)	\$ 288,476,692	\$ 153,987,935	\$ 48,317,023	490,781,650	\$ (5,788,556)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(3,180,145)	
Adjusted net position of business-type activities				<u>\$ 487,601,505</u>	

CITY OF SPRINGFIELD, ILLINOIS

 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year Ended February 29, 2016

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Electric Light and Power Fund	Water Fund	Other Enterprise Funds	Total	
Operating revenues:					
Fees for services	\$ 237,772,754	\$ 28,367,672	\$ 7,796,845	\$ 273,937,271	\$ 870,374
Intragovernmental charges	-	-	-	-	34,549,434
Payroll deductions	-	-	-	-	6,923,894
Other	-	-	70,995	70,995	39,689
Total operating revenues	<u>237,772,754</u>	<u>28,367,672</u>	<u>7,867,840</u>	<u>274,008,266</u>	<u>42,383,391</u>
Operating expenses:					
Personal services	-	-	3,399,456	3,399,456	6,920,860
Contractual services	-	-	2,413,795	2,413,795	32,852,538
Commodities	-	-	267,748	267,748	69,101
Equipment	-	-	204,337	204,337	89,035
Electronic data processing	-	-	80,711	80,711	120,624
Telecommunications	-	-	19,273	19,273	8,678
Operation of automotive equipment	-	-	287,396	287,396	1,685,860
Awards, benefits, and treatment	-	-	-	-	2,039,434
Repairs and maintenance	-	-	349,816	349,816	72,622
Bank fees	-	-	3,025	3,025	-
Travel	-	-	9,906	9,906	727
General and administrative	16,463,325	3,180,293	-	19,643,618	-
Production and distribution	145,614,230	11,919,620	-	157,533,850	-
Other postemployment benefits	12,882,032	2,937,062	1,207,853	17,026,947	-
Depreciation and amortization	32,736,776	4,480,351	2,149,354	39,366,481	-
Total operating expenses	<u>207,696,363</u>	<u>22,517,326</u>	<u>10,392,670</u>	<u>240,606,359</u>	<u>43,859,479</u>
Operating income (loss)	<u>30,076,391</u>	<u>5,850,346</u>	<u>(2,524,830)</u>	<u>33,401,907</u>	<u>(1,476,088)</u>
Nonoperating revenues (expenses):					
Investment income	59,735	26,644	(274,190)	(187,811)	16,490
Other	(390,870)	336,173	-	(54,697)	-
Interest expense	(25,596,002)	(2,504,823)	(57,193)	(28,158,018)	-
Amortization of surety premium	(66,342)	-	-	(66,342)	-
Auxiliary service property	-	(1,527,477)	-	(1,527,477)	-
Non-utility property operations	74,890	-	-	74,890	-
Total nonoperating revenues (expenses)	<u>(25,918,589)</u>	<u>(3,669,483)</u>	<u>(331,383)</u>	<u>(29,919,455)</u>	<u>16,490</u>
Income (loss) before transfers and contribution revenue	<u>4,157,802</u>	<u>2,180,863</u>	<u>(2,856,213)</u>	<u>3,482,452</u>	<u>(1,459,598)</u>
Transfers:					
Transfers in	-	-	400,000	400,000	-
Transfers (out)	(8,643,964)	(540,150)	(30,632)	(9,214,746)	-
Total transfers	<u>(8,643,964)</u>	<u>(540,150)</u>	<u>369,368</u>	<u>(8,814,746)</u>	<u>-</u>
Capital grants and contributions	874,301	1,542,103	930,793	3,347,197	-
Change in net position	<u>(3,611,861)</u>	<u>3,182,816</u>	<u>(1,556,052)</u>	<u>(1,985,097)</u>	<u>(1,459,598)</u>
Net position, beginning of year	330,520,490	160,332,325	52,440,378		(4,328,958)
Change in accounting principle	(38,431,937)	(9,527,206)	(2,567,303)		-
Net position at beginning of year, restated	292,088,553	150,805,119	49,873,075		(4,328,958)
Net position, end of year	<u>\$ 288,476,692</u>	<u>\$ 153,987,935</u>	<u>\$ 48,317,023</u>		<u>\$ (5,788,556)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(630,984)	
Change in net position of business-type activities				<u>\$ (2,616,081)</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

Year Ended February 29, 2016

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Electric Light and Power Fund	Water Fund	Other Enterprise Funds	Total	
Cash flows from operating activities:					
Receipts from customers	\$ 231,537,518	\$ 27,721,554	\$ 23,303,345	\$ 282,562,417	\$ 722,776
Receipts from interfund services	1,947,008	287,395	93,988	2,328,391	41,106,235
Payments to suppliers	(94,426,141)	(7,399,729)	(18,281,313)	(120,107,183)	(36,842,996)
Payments to employees	(44,890,153)	(8,633,866)	(3,897,530)	(57,421,549)	(5,877,626)
Payments for interfund services	(28,456,068)	(3,454,469)	(96,059)	(32,006,596)	472,788
Other operating receipts	-	-	58,303	58,303	-
Net cash from operating activities	65,712,164	8,520,885	1,180,734	75,413,783	(418,823)
Cash flows from noncapital financing activities:					
Transfers in (out)	-	(540,150)	369,368	(170,782)	-
Cash received in (paid for) interfund borrowings	(8,953,367)	6,149,548	962,428	(1,841,391)	-
Net cash from noncapital financing activities	(8,953,367)	5,609,398	1,331,796	(2,012,173)	-
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(16,710,681)	(6,678,228)	(3,425,861)	(26,814,770)	-
Proceeds from contributed revenue	874,301	1,542,103	-	2,416,404	-
Net proceeds from capital debt	-	-	496,124	496,124	-
Net cost of refunding	(2,150,612)	-	-	(2,150,612)	-
Principal paid on revenue bonds, refunding bonds, and loans	(14,235,000)	(2,769,442)	(419,419)	(17,423,861)	-
Interest paid on revenue bonds, loans, and line of credit	(34,463,392)	(2,711,047)	(58,573)	(37,233,012)	-
Interest capitalized for the acquisition and construction of utility plant	-	(1,358,775)	-	(1,358,775)	-
Auxiliary service and nonutility property operations, net	-	(1,393,435)	-	(1,393,435)	-
Other capital and related financing activities	(611,124)	451,479	-	(159,645)	-
Net cash from capital and related financing activities	(67,296,508)	(12,917,345)	(3,407,729)	(83,621,582)	-
Cash flows from investing activities:					
Purchase of investments	(2,990,000)	(2,250,546)	(222,978)	(5,463,524)	(600,000)
Proceeds on sale and maturities of investments	8,450,000	1,008,150	-	9,458,150	1,600,000
Interest and dividends received	75,213	27,616	154,871	257,700	9,913
Net cash from investing activities	5,535,213	(1,214,780)	(68,107)	4,252,326	1,009,913
Net increase (decrease) in cash and cash equivalents	(5,002,498)	(1,842)	(963,306)	(5,967,646)	591,090
Cash and cash equivalents, beginning of year	65,352,196	41,380,185	2,360,631	109,093,012	9,171,835
Cash and cash equivalents, end of year	<u>\$ 60,349,698</u>	<u>\$ 41,378,343</u>	<u>\$ 1,397,325</u>	<u>\$ 103,125,366</u>	<u>\$ 9,762,925</u>
Reconciliation:					
Cash and cash equivalents	\$ 14,606,967	\$ 9,405,122	\$ 889,065	\$ 24,901,154	\$ 7,456,873
Restricted cash and cash equivalents - noncurrent	45,742,731	31,973,221	508,260	78,224,212	2,306,052
	<u>\$ 60,349,698</u>	<u>\$ 41,378,343</u>	<u>\$ 1,397,325</u>	<u>\$ 103,125,366</u>	<u>\$ 9,762,925</u>

(Continued)

CITY OF SPRINGFIELD, ILLINOIS
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS (CONTINUED)

Year Ended February 29, 2016

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Electric Light and Power Fund	Water Fund	Other Enterprise Funds	Total	
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	\$ 30,076,391	\$ 5,850,346	\$ (2,524,830)	\$ 33,401,907	\$ (1,476,088)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation and amortization	32,736,776	4,480,351	2,149,354	39,366,481	-
Change in assets, deferred outflows of resources, and liabilities:					
(Increase) decrease in accounts receivable	(7,043,264)	(358,723)	(454,152)	(7,856,139)	(147,598)
(Increase) decrease in inventories	(3,238,339)	(116,129)	24,251	(3,330,217)	-
(Increase) decrease in deferred outflows of resources	(18,809,706)	(4,673,431)	(1,188,445)	(24,671,582)	-
(Increase) decrease in prepaid expenses	42,808	(13,649)	-	29,159	-
(Increase) decrease in interfund receivable	-	-	(97,884)	(97,884)	(406,782)
Increase (decrease) in accounts payable	1,354,749	(3,133,146)	964,416	(813,981)	175,315
Increase (decrease) in other payables	-	(83,209)	-	(83,209)	-
Increase (decrease) in accrued payroll	253,615	146	10,122	263,883	(9,061)
Increase (decrease) in unearned revenue	2,675,325	-	19,455	2,694,780	-
Increase (decrease) in compensated absences	660,982	29,685	(86,485)	604,182	1,064,419
Increase (decrease) in claims and judgments	(326,803)	-	-	(326,803)	(98,432)
Increase (decrease) in interfund payable	-	-	-	-	479,404
Increase (decrease) in due to Sangamon County Water Reclamation District	-	-	390,345	390,345	-
Increase (decrease) in deposit payable	79,711	-	-	79,711	-
Increase (decrease) in IMRF net pension obligation	15,919,973	3,955,452	912,262	20,787,687	-
Increase (decrease) in OPEB obligation	11,329,946	2,583,192	1,062,325	14,975,463	-
Total adjustments	35,635,773	2,670,539	3,705,564	42,011,876	1,057,265
Net cash from operating activities	\$ 65,712,164	\$ 8,520,885	\$ 1,180,734	\$ 75,413,783	\$ (418,823)
Supplemental disclosure of noncash investing and capital and related financing activities:					
Contributed capital - developers	\$ -	\$ -	\$ 275,650	\$ 275,650	\$ -
Refunding of bonds	548,606,827	-	-	548,606,827	-
Unrealized gain (loss) from reporting investments at fair value	-	-	(429,315)	(429,315)	-
					(Concluded)

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

February 29, 2016

	Pension Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 4,982,123	\$ 521,271
Investments:		
Mutual Fund Equities	97,485,474	-
Common Stocks	34,983,278	-
U.S. Government Securities	44,012,664	-
U.S. Agency Securities	19,712,240	-
Corporate Bonds	21,884,180	-
Insurance Contracts	26,115,721	-
Interest and dividends receivable	481,379	-
Other receivables	223,985	-
Other assets	-	-
Total assets	\$ 249,881,044	\$ 521,271
Liabilities		
Accounts payable	87,562	\$ 5,278
Other accrued liabilities	-	78,851
Intergovernmental payable	-	437,142
Total liabilities	87,562	\$ 521,271
Net position, restricted for pensions	\$ 249,793,482	

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended February 29, 2016

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Employer contributions	\$ 18,837,237
Employee contributions	3,591,418
Miscellaneous	<u>7,757</u>
Total contributions	<u>22,436,412</u>
Investment income:	
Net appreciation (depreciation) in fair value of investments	(18,072,216)
Interest and dividends	<u>5,973,217</u>
Total investment income	<u>(12,098,999)</u>
Less investment expense	<u>(538,070)</u>
Net investment income	<u>(12,637,069)</u>
Total additions	<u>9,799,343</u>
Deductions:	
Pension benefits	25,737,162
Administrative expenses	<u>338,846</u>
Total deductions	<u>26,076,008</u>
Net decrease	(16,276,665)
Plan net position restricted for pensions, beginning of year	<u>266,070,147</u>
Plan net position restricted for pensions, end of year	<u><u>\$ 249,793,482</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF SPRINGFIELD, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

February 29, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Springfield (City), Illinois, have been prepared in accordance with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting principles and financial reporting practices. The more significant of these accounting policies are as follows:

Financial reporting entity:

The City is a municipal corporation with a mayoral/aldermanic form of government. As required by GAAP, these financial statements present the City and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

Individual component unit disclosures – fiduciary funds: The Police and Fire Fighters' Pension Plans are reported as if they were a part of the City. This data is included in the City's fiduciary fund financial statements because the funds are fiscally dependent on the City. The Pension Plans may not issue bonded debt or levy taxes without the City's approval. These Plans provide services entirely to the City's current and former employees.

The most recent audit information was included as fiduciary funds within the City's financial reporting entity. Complete financial statements of the individual component units can be obtained at www.springfield.il.us/Government/OpenGovHome.aspx or from the following:

Police and Fire Fighters' Pension Plans:

City of Springfield, Illinois
Office of the City Treasurer
104 Municipal Center West
Springfield, Illinois 62701-1681

The Lincoln Library Foundation is a potential component unit of the City. The Foundation has not been included as it is insignificant to the financial statements. The Lincoln Library Foundation was established in 1991 for charitable, literary, and educational purposes. It is the purpose of the Foundation to focus attention on public library services in Springfield and encourage development of Lincoln Library's collections through individual gifts, endowment and bequests. The Foundation is also assisting with the renovation of the library. As of February 29, 2016 the Foundation assets totaled \$1.8 million.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related organization:

The City's officials are responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. The Mayor appoints a majority of the board members of the Springfield Airport Authority (SAA) as required by statute. The City paid \$7,726 to SAA during the year.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Capital Improvement Fund accounts for the resources restricted, committed, or assigned for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and fund financial statements (Continued)

Additional governmental fund types which are combined as non major funds are as follows:

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Debt Service Funds are used to account for principal and interest payments with respect to the general long-term debt of the City not financed by a specific source.

Capital Projects Funds are used to account for general construction or renovation projects being carried out by the City. Such projects are financed by issuance of general obligation bonds, tax increment financing district property taxes, sales taxes, utility taxes, governmental grants and user charges.

The government reports the following major proprietary funds:

The Electric Light and Power Fund accounts for the production, transmission and distribution of electricity in the City and certain nearby municipalities.

The Water Fund accounts for the collection, purification and distribution of water in the City and certain nearby municipalities.

Additionally, the government reports the following fund types:

Internal Service Funds account for health insurance, workers compensation claims, sick payouts, sick sell back, property casualty and liability insurance, building and grounds maintenance, fleet maintenance, and unemployment compensation insurance services provided to other departments or agencies of the government.

The Agency Funds are used to account for monies resulting from the City's flexible benefit plan and for wage garnishments, savings bonds and interest earned from pooled investments, which are custodial in nature.

The Fire Fighters' Pension Fund and the Police Pension Fund are pension trust funds, which account for activities as prescribed by the Illinois State Statutes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting, except Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are intended to fund. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues generally to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments and pension and OPEB amounts are recorded only when payment is due.

Property taxes are recognized as revenues in the year for which they are budgeted. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual in the fund financial statements as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds utilize the accrual basis of accounting, which recognizes revenue when it is earned, including an estimate of utility revenue unbilled at the end of each accounting period, and expenses when they are incurred. The Water Fund, the Electric Light and Power Fund and the Sewer Fund jointly bill customers for services.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are service charges between the government's water, electric and sewer functions and various other functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – (Continued)

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water, Electric, Sewer, Cemetery, and Motor Vehicle Parking enterprise funds and the government's Support Services Revolving Fund, Self-Insurance, and Unemployment Compensation Escrow internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then, unrestricted resources, as they are needed.

Pooled cash and investments

Cash and investments of various General, special revenue, debt service and internal service funds is pooled with excess pooled cash being invested. Interest from pooled investments is allocated to the participating funds based on their daily cash balance.

Investments are recorded at fair value, except for nonnegotiable certificates of deposits which are recorded at cost, using quoted market prices. Gains and losses on marketable securities are computed using the specific identification method.

Cash equivalents

For purposes of the statement of cash flows of its proprietary funds, the City considers all highly liquid investments (including restricted assets) with an original maturity of three months or less to be cash equivalents. Investments in the Illinois Funds Funds, banks and ICS/Promontory are classified as cash and cash equivalents.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories and prepaids

Inventories of materials and supplies are stated at cost, with cost determined on an average cost basis. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. Also included in inventory are certain cemetery plots for sale, which are valued at an estimated \$9 per lot.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method.

Restricted asset accounts

Restricted asset accounts are utilized by enterprise funds to comply with revenue bond ordinances and loan restrictions. Restricted asset accounts are utilized by governmental funds to comply with tax increment financing and special service area bonds and grant restrictions.

Notes receivable

Notes receivable are loans made through housing rehabilitation and economic development programs under the terms of mortgage-secured installment notes. The terms of the notes are one to ten years. Notes are classified as interest bearing with ranges from 0 percent per year to 5.0 percent per year. Notes receivable that are not available as current financial resources are offset by deferred inflow of resources.

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable columns in the government-wide financial statements and in the proprietary funds financial statements. Capital assets are defined by the City, as assets with an initial, individual cost of more than \$15,000 (\$5,000 threshold for capital assets purchased with grant funds) and intangible assets of \$100,000 or more and an estimated useful life in excess of one year. Capital assets are defined by Electric Light and Power and Water Funds, as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Cost includes labor, material and similar items, and indirect business type charges for such items as transportation. The City capitalizes interest expense on funds used during construction of major projects, net of interest earned on invested unexpended bond proceeds during the construction period. The total interest cost on debt incurred by the water and electric divisions during the current fiscal year was \$4,067,980 and \$26,974,554, respectively. Of that amount, interest charged to expense was \$2,504,823 and \$25,596,002, respectively. Interest of \$1,355,120 and \$0, respectively was included as part of the cost of capital assets under construction in connection with the water and electric divisions' construction projects.

Capital asset of the business type activities include 7,089 acres of nonutility property acquired for the proposed John H. Hunter Lake project, included in the Enterprise funds. The land was acquired to construct the proposed John H. Hunter Lake, which would supplement the present Lake Springfield's potable water supply and provide cooling water for the electricity generating system. As of February 29, 2016 the Water Fund has incurred a total of \$23,092,441 for the project, which includes the purchase price of the farmland and additional legal, engineering and other acquisition costs of \$7,375,441. The Electric Light and Power Fund has expended \$4,986,658 for the same project. Costs incurred for the project are classified as nonutility property, pending a final decision on the proposed project.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Fund	Estimated Useful Lives
Electric Light and Power:	
Utility plant	15 to 50 years
Equipment	5 to 50 years
Water:	
Utility plant and distribution system	10 to 100 years
Equipment	5 to 33 years
Sewer:	
Sewer system improvements	50 years
Buildings	10 to 50 years
Equipment	3 to 15 years
Motor Vehicle Parking System:	
Parking system improvements	10 to 50 years
Equipment	5 to 20 years
Oak Ridge Cemetery:	
Cemetery improvements	15 to 20 years

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets (Continued)

Fund	Estimated Useful Lives
Buildings	15 to 30 years
Equipment	5 to 20 years
Governmental Activities:	
Land improvements	50 years
Buildings	50 years
Streets and roadways (base)	50 years
Street overlays	15 years
Machinery and equipment	5 to 15 years
Vehicles	4 to 10 years
Library collection	5 years

Compensated absences

Employees are granted vacation and sick leave benefits in varying amounts based on tenure. In the event of termination, a nonunion employee is paid for accumulated vacation days up to a maximum of two years vacation accrual. A union employee takes vacation per the union contract. Union employees may accumulate sick leave per the union contract to be paid upon death or retirement. Nonunion employees may accumulate an unlimited number of days of sick leave. A portion of accumulated sick leave is to be paid upon death or retirement as decided by the Springfield City Council. No sick leave is paid upon termination. An actuarially determined liability is recognized for that portion of accumulated sick leave benefits estimated to be payable upon death or retirement.

Accumulated unpaid vacation leave, related to governmental fund activities, that is expected to be paid with expendable available financial resources, is reported as an expenditure and as a liability of the governmental fund that will pay it. Amounts of accumulated unpaid vacation leave that are not expected to be paid with expendable available financial resources are reported in the government-wide statements. A liability for these amounts is reported in governmental funds only if they have matured, for example as a result of employee resignations and retirements. The liabilities for all accrued sick leave benefits expected to be paid at death or retirement are recorded in an Internal Service Fund, except for the portions applicable to the Electric Light and Power and Water Funds, which are recorded in each respective fund. The actuarial determination of the liability for sick leave has been funded by charges to other funds by an Internal Service Fund which will ultimately pay the liability when due. Accumulated unpaid vacation benefits for proprietary funds are recorded in those funds when earned.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources* represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Unavailable revenues in governmental funds include receivables not “available” to finance the current period.

Long-term obligations, debt costs, discounts and gains/losses on refunding

In the government-wide financial statements and proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Long-term debt premiums, discounts and deferred gains/losses on refunding are amortized over the life of the related issue using the effective interest method. In accordance with GASB Statement No. 23, the gains and losses on refunding of enterprise funds' debts are deferred rather than recognized in the period of refunding. Long term debt issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Payment of bond principal is reported as debt service expenditures.

Capital contribution revenue

Capital contribution revenue includes donations of capital assets, revenue from capital grants, and payments received from contractors and other businesses and individuals for special capital projects. In some cases, excess deposits are refunded and deficient deposits are billed.

Fund balance

In the governmental fund financial statements, fund balances are classified as follows:

Non spendable: Amounts which cannot be spent either because they are in a non spendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund balance (Continued)

Committed: Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the City Council through ordinance approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the city Council removes or changes the specified use by taking the same action it employed to commit those amounts.

Assigned: Amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Director of the Office of Budget and Management. When assigning funds, the Director relies on the approval processes and/or the legal authority to spend funds.

Unassigned: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

When an expenditure is incurred in governmental funds, which can be paid using either restricted or unrestricted resources, the City policy is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed, assigned and then unassigned fund balances.

It is the goal of the City to achieve and maintain an unassigned General Fund balance equal to 8 to 15 percent of total annual appropriations.

Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows in the financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used for acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds of \$36,469,170 in governmental activities and \$27,604,495 in business-type activities, \$5,779,506 in Electric Light and Power Fund and \$21,824,989 in Water Fund. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City has \$4,056,218 restricted for nonexpendable endowment care. The earnings can be used for operations and maintenance of the cemetery.

Restricted net position includes \$1,223,135 for public safety, \$15,144,756 for system repairs and improvements, \$1,754,963 for capital projects, \$9,520,584 for highways and streets, \$9,675,905 for economic development, and \$32,830,961 restricted for debt service with \$1,542,314 restricted from enabling legislation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund transactions/transfers

There are various types of interfund transactions and transfers that are reported as interfund items between the funds. Interfund services provided and used are recorded as revenue, expenditures or expenses as if the transactions occurred outside the government. Interfund transactions, which constitute reimbursements of a fund for expenditures or expenses initially made from that fund, which are properly applicable to another fund, are recorded as a reduction of expenditures in the fund that is reimbursed.

Use of estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, certain Special Revenue Funds, the Capital Improvement Fund and the Capital Projects Funds. Any encumbrances still open as of the year-end lapse, and must be reappropriated in the budget of the subsequent year.

Any encumbrances remaining at the end of the fiscal year that represent projects and/or program costs which will be remitted in subsequent fiscal years are carried into the next fiscal year. These encumbrances represent a reservation of the new year's appropriation authority. Appropriation authority held for projects and/or programs that are complete are released and become part of fund balance.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Primary Government

Authorized investments

In accordance with the City's investment policy, the City may invest in certain types of securities as provided in the Public Funds Investment Act, 30 Illinois Compiled Statutes 235/1 et seq. This act permits deposits and investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds. The Electric Light and Power Fund may only invest in certain securities in accordance with a master revenue bond ordinance. Those permitted investments are defined in the master revenue bond ordinance and amendments and supplements thereto. Permitted investments include U.S. Government issued or secured debt, insured or collateralized certificates of deposit, highly rated state and municipal debt, and state pooled investments. Investments held by a trustee responsible for subordinate lien bond funds may include highly rated money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933. The Oak Ridge Investment Policy allows for investments in common stocks, fixed income securities, mutual funds, and cash. The Oak Ridge Cemetery Endowment Fund is also governed by the Cemetery Care Act, 760 ILCS 100/3. The associated investment credit risks are noted below.

Custodial credit risk

Custodial credit risk is the risk a government will not be able to recover deposits or investments that are in the possession of an outside party.

At February 29, 2016, the total amount of the City's deposits in banks totaled \$121,848,350. The City's investment policy requires that deposits with financial institutions be collateralized at 105% of the market value of the principal and interest of the deposit. Collateral for any deposit over the FDIC insurance maximum is limited to the limits provided in the Illinois Public Funds Investment Act, 30 ILCS 235/1 et seq. The City's cash equivalents in Illinois Funds are not subject to custodial credit risk. Collateral coverage in excess of FDIC coverage includes collateral held by an agent of the City in the City's name, an irrevocable letter of credit, and funds maintained in a deposit placement service through Insured Cash Sweep services.

The Illinois Funds is a local government investment pool (LGIP) operated by the State Treasurer's Office. These funds are restricted by the rules 2a-7 of the Securities and Exchange Commission (SEC) 4.

The City requires all security transactions entered into by the City be conducted on a delivery versus payment basis. Securities are held by a third party custodian, designated by the City Treasurer and evidenced by a safekeeping receipt.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

The investment policy for Oak Ridge Cemetery Fund does not address custodial credit risk.

Interest rate risk

The risk that changes in interest rates will adversely affect the fair value of investments is the interest rate risk. In accordance with the master revenue bond ordinance, the Electric Light and Power Fund limits investments to those with a maturity of ten years or less. City policy places further limits stating that the City will not directly invest in securities with a maturity of greater than five years three months from the date of purchase. Reserve funds, however, may be invested in securities exceeding five years three months if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds. The Cemetery Care Act places no additional interest rate restrictions on investments.

At February 29, 2016, the primary government's investment balances were as follows:

Investment Type	FMV	Maturity			
		Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years
U.S. Agency Obligations	\$ 5,383,292	\$ 4,748,640	\$ 600,000	\$ 1,054	\$ 33,598
Government Agency Bond	34,153	-	-	34,153	-
Corporate Bonds	309,573	-	10,847	-	298,726
Bond Mutual Funds	1,030,736	998,140	19,248	13,348	-
Domestic Bond Funds	14,986	-	14,986	-	-
Subject to interest rate risk	6,772,740	\$ 5,746,780	\$ 645,081	\$ 48,555	\$ 332,324
Illinois Funds	77,403,529				
Certificates of deposit	245,000				
U.S. Equities	15,515				
Money Market Mutual Funds	2,348,492				
Global Mutual Funds	1,047,807				
Balanced Mutual Funds	1,237,033				
Preferred Stock	41,008				
U.S. Equity Mutual Fund	87,025				
Energy Limited Partnerships	83,888				
Real Estate Investment Trusts	101,716				
Total investments	\$ 89,383,753				

Credit risk: The risk that an issuer of an investment will not fulfill its obligation is credit risk. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy does not specifically address credit risk for investments.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

At February 29, 2016, the primary government's investment balances were rated as follows:

Investment Type	Fair Value	Standard & Poor's/Moody's			
		AAA	AA	A	BA
U.S. Agency Obligations	\$ 5,383,292	\$ 5,383,292	\$ -	\$ -	\$ -
Government Agency Bonds	34,153	-	34,153	-	-
Corporate Bonds	309,573	-	-	90,300	32,052
Bond Mutual Funds	1,030,736	-	-	-	-
Domestic Bond Funds	14,986	-	-	-	-
Money Market Mutual Funds	2,348,492	-	-	-	-
Illinois Funds	77,403,529	77,403,529	-	-	-
Total	\$ 86,524,761	\$ 82,786,821	\$ 34,153	\$ 90,300	\$ 32,052

Investment Type	BBB	Standard & Poor's/Moody's			Not Rated
		BB	B		
U.S. Agency Obligations	\$ -	\$ -	\$ -	\$ -	-
Government Agency Bonds	-	-	-	-	-
Corporate Bonds	160,244	-	26,977	-	-
Bond Mutual Funds	-	-	-	1,030,736	-
Domestic Bond Funds	-	-	-	14,986	-
Money Market Mutual Funds	-	-	-	2,348,492	-
Illinois Funds	-	-	-	-	-
Total	\$ 160,244	\$ -	\$ 26,977	\$ 3,394,214	

Concentration of credit risk: The risk of a loss attributed to the magnitude of a government's investment in a single issue is concentration of credit risk. The City's investment policy calls for diversification of its investments by security type and institution. With the exception of U.S. Treasury notes and authorized pools, no more than 50 percent of the City's total investment portfolio will be invested in a single security type or with a single financial institution. The City's investment policy is written to encompass all City investments. Diversification levels in this policy are for the total investment portfolio.

On February 29, 2016, the City's funds did not have greater than five percent of its investments in a single security type. As of February 29, 2016 the City did not have more than 50% of its total investment with any one specific financial institution. Money market mutual funds and external investment pools are exempt given the City does not hold the underlying investment.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Oak Ridge Cemetery's investment policy states investments shall be within the target asset allocation and permissible maximum and minimum percentage ranges shown in the following table:

Asset Class	Target	Maximum	Minimum
Common Stock	50%	65%	25%
Fixed Income Securities (Includes Preferred Stocks and Bonds)	50%	65%	35%
Mutual Funds*			
Cash & Equivalents	0%	10%	0%

* Compliance with the target asset allocation and permissible percentage ranges for Mutual Funds shall be determined as follows: (i) determine the value of the Common Stock, Fixed Income Securities and Cash and Equivalents within a Mutual Fund; (ii) add the values so determined to the value of the appropriate corresponding Asset Class: Common Stock, Fixed Income Securities and the Cash and Equivalents; using the combined value of each particular asset class, determine if that particular asset class meets the percentage standards set forth above for that asset class.

As of February 29, 2016, Oak Ridge Cemetery was in compliance with the investment policy.

Fiduciary Funds:

Authorized investments: Investments made by the Firefighters' and Police Pension Funds are governed by both the Illinois Pension Code and the Fund's own investment policy. Allowable investments include (1) interest-bearing bonds of the United States, or of the State of Illinois, or any county, city, township, village, incorporated town, municipal corporation, or school district in this state; (2) tax anticipation warrants issued by any city, township, village, incorporated township or fire protection district; (3) notes, bonds, debentures or other similar obligations which are guaranteed as principal and interest by the United States; (4) insured withdrawable capital accounts of state chartered savings and loan associates; (5) insured withdrawable capital accounts of federally chartered federal savings and loan association if the withdrawable accounts are insured by the Federal Deposit Insurance Corporation; (6) insured investments in credit unions if the investments are insured by the National Credit Union Administration; (7) savings accounts or certificates of deposit of a national or state bank; (8) contracts and agreements supplemental thereto providing for investments in the general account of a life insurance company authorized to do business in Illinois; (9) separate accounts of a life insurance company authorized to do business in Illinois, comprised of common or preferred stocks, bonds, or money market instruments; (10) the Illinois Funds; (11) separate accounts managed by a life insurance company authorized to do business in Illinois, comprised of real estate of loans upon real estate secured by first or second mortgages; (12) direct equities, mutual funds, and separate account; and (13) investment grade corporate bonds managed by an investment advisor.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Fiduciary Funds:

Deposits:

Custodial credit risk: Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the Firefighters and Police Pension Fund's deposits may not be returned to it. The Firefighters and Police Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Firefighters and Police Pension Fund's deposits with financial institutions.

Investments:

Custodial credit risk: Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters and Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Firefighters and Police Pension Fund's investment policy does not specifically address custodial credit risk, except for the Firefighters and Police Pension Fund's compliance with state statutes. To limit its exposure, the Firefighters and Police Pension Fund's have a third party custodian acting as an agent to safe-keep the assets of the funds.

Interest rate risk: The risk that changes in interest rates will adversely affect the fair value of the investment. The Board of Trustees of the Springfield Police and Firefighters' Pension Funds recognize their ultimate responsibility for the value preservation and growth of the Fund's assets in its investment policies. The policies will minimize the risk that the market value of the securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for benefit payments, thereby avoiding the need to sell securities on the open market prior to maturity. The policies do not limit the maximum length of investments.

At February 29, 2016, the fiduciary funds investment balances were as follows:

Investment Type	FMV	Maturity			
		Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years
U.S. Agency Obligations	\$ 19,712,240	\$ 338,482	\$ 3,202,896	\$ 4,576,183	\$ 11,594,679
U.S. Government Obligations	44,012,664	3,811,637	29,236,348	10,964,679	-
Corporate Bonds	21,884,180	1,156,203	11,549,073	7,509,925	1,668,979
Subject to interest rate risk	85,609,084	\$ 5,306,322	\$ 43,988,317	\$ 23,050,787	\$ 13,263,658
U.S. Property-Separate Insurance Account	26,115,721				
Money Market Mutual Funds	4,640,740				
Mutual Funds	97,485,474				
Common Stock	34,983,278				
Total investments	\$ 249,001,193				

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Credit risk: Generally, credit risk is the risk an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Police Pension Plan's investment policy does not specifically address credit risk for investments, except for corporate bonds and compliance with State statutes. Corporate bonds must be rated as investment grade by one of the two largest rating agencies at the time of purchase. Subsequently, if a domestic corporate bond security is downgraded below investment grade by one of the two largest rating agencies, the security must be liquidated from the portfolio within 90 days after the downgrade.

The policies of the Firefighter's Pension Fund will minimize credit risk, the risk of loss due to failure of the security issuer or backer, by pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the Pension will do business and by diversifying the portfolio so that potential losses on individual securities will be minimized. U.S. property-separate insurance account is a group annuity contract with Principal Life Insurance Company. While the specific annuity is not rated, Principal Life Insurance is rate by A.M. Best as A+ Superior.

At February 29, 2016, the fiduciary funds investment balances were rated as follows:

Investment Type	Fair Value	Standard and Poor's Moody's					Not Rated
		AAA	AA	A	BBB		
U.S. Agency Obligations	\$ 19,712,240	\$ 3,009,595	\$ 13,334,562	\$ -	\$ -	\$ 3,368,083	
Corporate Bonds	21,884,180	285,496	2,284,525	9,297,836	8,063,574	1,952,749	
Money Market Mutual Funds	4,640,470	4,640,470	-	-	-	-	
Total investments	<u>\$ 46,236,890</u>	<u>\$ 7,935,561</u>	<u>\$ 15,619,087</u>	<u>\$ 9,297,836</u>	<u>\$ 8,063,574</u>	<u>\$ 5,320,832</u>	

Concentration of credit risk: The Springfield Firefighters' Pension Fund equity investments are held in custodial accounts managed by US Bank, PIMCO, Vanguard, Dimensional Fund Advisors, JPMorgan/Chase Bank, and G.W. Capital. The investment policy of the Springfield Firefighters' Pension Fund allows an allocation of between 44 percent and 64 percent of the plan assets in equity-type investments, and sets further allocation guidelines within that scope. Individual holdings must meet certain criteria outlined in the investment policies, and no individual holding may comprise more than 5 percent of the equity holdings in total.

The Springfield Police Pension Fund equity investments are held in a custodial account of US Bank and managed by various investment managers. The book value of total equities may not exceed 55 percent for mutual funds, separate account of an insurance company, or separate accounts of a money manager. In addition, the Plan must comply with State statutes which dictate that individual holdings must meet certain criteria, and no individual investment held (with the exception of the United States Government and agencies securities) may exceed 5 percent of the invested assets in total. Also, no single security should comprise more than 10 percent of the portfolio's overall allocation after accounting for price appreciation and the portfolio may not exceed 10 percent in cash or cash equivalents.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

There were no investments (other than U.S. government and agencies' securities – separate accounts) in any one organization that represented 5 percent or more of net assets available for benefits in the Police Pension Fund or the Firefighters' Pension Fund.

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Police Pension Fund		Firefighters' Pension Fund	
	Target	Long-Term Expected Real Rate of Return	Target	Long-Term Expected Real Rate of Return
Fixed Income	35%	1.60%	35%	1.60%
Domestic Equities	34%	6.70%	34%	6.70%
International Equities	20%	7.40%	20%	7.40%
Real Estate	8%	4.50%	8%	4.50%
Global Tactical Asset Allocation	3%	3.30%	3%	3.30%
Cash and Cash Equivalents	0%	0.00%	0%	0.00%

The long-term expected rate of return on the Fund's investments was determined based upon an arithmetic average method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and adding expected inflation.

For the year ended February 29, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was -4.74 % and -4.86% for the Police Pension Fund and the Firefighters' Pension Fund, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

3. PROPERTY TAXES

The City's property tax is levied each year by the second Tuesday of December on all taxable real property located in the City. A lien on all taxable real property is effective on January 1 of the tax year.

The City is a home-rule community under the 1970 Illinois Constitution and, accordingly, does not have a statutory tax rate limit.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. PROPERTY TAXES (Continued)

Property in Sangamon County, the County in which the City resides, is assessed by the Sangamon County Assessor. The values are adjusted by various percentages depending upon the type of property (residential, commercial, etc.). The assessed values are equalized by the Illinois Department of Revenue to ensure uniformity of property assessments throughout the state. The Sangamon County Clerk computes the annual tax rate by dividing the levy into the equalized value of each taxing unit. The Clerk then computes the tax for each parcel by multiplying the aggregate rates of all the taxing units having jurisdiction over the parcel by the equalized value. The tax amounts by parcel are forwarded to the Sangamon County Collector.

Property taxes are collected by the Sangamon County Collector who remits to the taxing units their respective shares of the collection. Taxes levied in one year become due and payable in two installments during the following year. The first installment is due no later than June 1 and the second installment is due no later than September 1.

The 2015 taxes payable in 2016 are intended to finance the 2017 fiscal year and are not considered available for current operations and are, therefore, shown as deferred inflows of resources. The 2016 tax levy has not been recorded as a receivable at February 29, 2016. Although the tax attached as a lien on property as of January 1, 2016, the tax will not be levied until December 2016 and, accordingly, is not measurable at February 29, 2016.

A summary of net property taxes receivable, as of February 29, 2016, which is reported under the caption of local taxes receivable, follows:

General Fund	<u>\$ 21,533,802</u>
Special Revenue Funds:	
Madison Park Place TIF Project Fund	250,000
Enos Park Place TIF Project Fund	479,000
Jefferson Crossing TIF Project Fund	10,760
Northeast TIF Project Fund	450,000
Special Allocation Project Fund (Downtown TIF)	3,850,000
MacArthur TIF Fund	20,000
Dirksen Parkway Commercial Redevelopment Fund	<u>80,000</u>
	<u>5,139,760</u>
Debt Service Funds – TIFs:	
Special Assessments Fund	<u>55,895</u>
	<u>55,895</u>
Capital Project Funds:	
Far East TIF (South Grand Pointe)	505,000
South Central Business District	<u>819,937</u>
	<u>1,324,937</u>
Total property taxes receivable	<u>\$ 28,054,394</u>

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LOCAL TAXES RECEIVABLE

A summary of local taxes receivable in governmental activities as of February 29, 2016 follows:

	Governmental Activities			
	General	Capital Improvement	Nonmajor Governmental	Total
Property Tax	\$ 21,533,802	\$ -	\$ 6,520,592	\$ 28,054,394
Telecommunications tax	673,521	-	-	673,521
State income tax	2,403,467	-	-	2,403,467
Sales tax	14,054,965	3,478,165	108,905	17,642,035
Use tax	189,785	-	-	189,785
Motor fuel tax	-	-	255,393	255,393
Cable franchise tax	333,669	-	-	333,669
Hotel Motel tax	45,251	90,502	135,753	271,506
Video Gaming tax	-	245,403	-	245,403
Total	<u>\$ 39,234,460</u>	<u>\$ 3,814,070</u>	<u>\$ 7,020,643</u>	<u>\$ 50,069,173</u>

5. INTERFUND RECEIVABLES/PAYABLES AND INTERFUND TRANSFERS

Interfund receivables and payables, as of February 29, 2016, are as follows:

	Receivables	Payables
General Fund:		
Nonmajor Enterprise Funds	\$ 152	\$ -
Nonmajor Governmental Funds	-	10,541
Internal Service Funds	1,771,558	1,188,694
Water Fund	359,980	71,181
Electric Light and Power Fund	4,488,712	493,527
	<u>6,620,402</u>	<u>1,763,943</u>
Nonmajor Governmental Funds:		
General Fund	\$ 10,541	\$ -
Nonmajor Governmental Funds	3,035,152	3,035,152
Nonmajor Enterprise Funds	1,000,506	-
Internal Service Funds	1,126	1,450
Water Fund	190,843	153,305
Electric Light and Power Fund	687,478	387,743
	<u>4,925,646</u>	<u>3,577,650</u>

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. INTERFUND RECEIVABLES/PAYABLES AND INTERFUND TRANSFERS –
(Continued)**

	<u>Receivables</u>	<u>Payable</u>
Water Fund:		
General Fund	71,181	359,980
Nonmajor Governmental Funds	153,305	190,843
Nonmajor Enterprise Funds	512	-
Internal Service Funds	4,422	117,971
Electric Light and Power Fund	<u>23,055</u>	<u>-</u>
	<u>252,475</u>	<u>668,794</u>
Electric Light and Power Fund:		
General Fund	493,527	4,488,712
Nonmajor Governmental Funds	387,743	687,478
Nonmajor Enterprise Funds	9,484	1,772,360
Internal Service Funds	1,447	378,490
Water Fund	<u>-</u>	<u>23,055</u>
	<u>892,201</u>	<u>7,350,095</u>
Nonmajor Enterprise Funds:		
General Fund	-	152
Internal Service Funds	-	97,008
Nonmajor Governmental Funds	-	1,000,506
Water Fund	-	512
Electric Light and Power Fund	<u>1,772,360</u>	<u>9,484</u>
	<u>1,772,360</u>	<u>1,107,662</u>
Internal Service Funds:		
General Fund	\$ 1,188,694	\$ 1,771,558
Internal Service Funds	13,541	13,541
Nonmajor Enterprise Funds	97,008	-
Nonmajor Governmental Funds	1,450	1,126
Water Fund	117,971	4,422
Electric Light and Power Fund	<u>378,490</u>	<u>1,447</u>
	<u>1,797,154</u>	<u>1,792,094</u>
Total interfund receivables/payables	<u>\$ 16,260,238</u>	<u>\$ 16,260,238</u>

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. INTERFUND RECEIVABLES/PAYABLES AND INTERFUND TRANSFERS –
(Continued)**

	<u>Due From</u>	<u>Due To</u>
General Fund:		
Trust and Agency Funds	\$ 436,696	\$ -
Nonmajor Governmental Funds:		
Trust and Agency Funds	446	-
Trust and Agency Funds:		
General Fund	-	436,696
Nonmajor Governmental Funds	-	446
	<u>-</u>	<u>437,142</u>
Total due to/due from	<u>\$ 437,142</u>	<u>\$ 437,142</u>

These balances resulted from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

**5. INTERFUND RECEIVABLES/PAYABLES AND INTERFUND TRANSFERS –
(Continued)**

Interfund transfers in and out, as of February 29, 2016, are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Activities		
General Fund:		
Corporate	\$ 8,512,317	\$ 4,100,923
Library	-	34,561
General Fund subtotal	<u>8,512,317</u>	<u>4,135,484</u>
Capital Improvement Fund:		
Debt service	-	1,461,221
Capital funding	<u>1,964,892</u>	-
Capital Improvement Fund subtotal	<u>1,964,892</u>	<u>1,461,221</u>
Nonmajor Governmental Funds:		
Operations	530,510	38,273
Debt service	2,476,316	16,757
Capital funding	<u>982,446</u>	-
Nonmajor Governmental subtotal	<u>3,989,272</u>	<u>55,030</u>
Total Governmental Activities	<u>14,466,481</u>	<u>5,651,735</u>
Business Activities		
Water Fund	-	540,150
Electric Fund	-	8,643,964
Nonmajor Enterprise:		
Operations	400,000	-
Debt Service	-	30,632
Nonmajor Enterprise subtotal	<u>400,000</u>	<u>30,632</u>
Total Business Type Activities	<u>400,000</u>	<u>9,214,746</u>
Internal Service Funds	-	-
	<u>\$ 14,866,481</u>	<u>\$ 14,866,481</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The \$8,512,317 General Fund transfer in are payments in lieu of tax contributions to the primary government from the Water Fund and the Electric fund.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. ACCOUNTS RECEIVABLE

Accounts receivable result from service charges billed and unbilled to customers. The following is a summary of accounts receivable, as of February 29, 2016, within the enterprise funds:

	<u>Billed</u>	<u>Unbilled</u>	<u>Total</u>
Electric Light and Power Fund	\$ 26,311,028	\$ 9,189,250	\$ 35,500,278
Water Fund	1,998,740	1,828,765	3,827,505
Sewer Fund	2,099,105	1,093,072	3,192,177
Oak Ridge Cemetery Operating Fund	<u>305,576</u>	<u>-</u>	<u>305,576</u>
Total receivable net of allowance for doubtful receivables	<u>\$ 30,714,449</u>	<u>\$12,111,087</u>	<u>\$42,825,536</u>

The Electric Light and Power Fund, the Water Fund and the Sewer Fund jointly bill customers for services. The Electric Light and Power Fund is net of allowance for doubtful accounts of \$196,240. The Water Fund is net of allowance of doubtful accounts of \$20,473.

7. SERVICE CONCESSION ARRANGEMENT

The City entered into a service concession arrangement with a Pinnacle Limited Partnership (Pinnacle) on May 17, 1989 for the operation and maintenance of the parking ramp at Seventh and Monroe Street. The agreement term ends on April 30, 2039, and has the option for two ten-year extensions. The agreement entitles Pinnacle to all income, revenues, and receipts from the operation of the ramp, including parking and other revenues. The agreement states rates and charges for use of the ramp must be reasonable and not be less than nor greater than rates and charges established by the City in other City-owned parking garages in the downtown area. Under the terms of the agreement, Pinnacle is required to pay all costs of operating and maintaining the ramp. In exchange, Pinnacle shall pay the City a basic monthly payment equal to \$6,420, less any maintenance costs actually incurred and paid, as limited by the agreement. The monthly rent amount is to be renegotiated every five years, but is capped by the consumer price index (CPI). In addition, an additional annual payment equal to 60 percent of the net revenues from the operation of the ramp (as reduced by certain costs specified in the agreement) shall be made by Pinnacle to the City.

Significant capital improvements to the ramp are to be shared by the City and Pinnacle, as defined in the agreement.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. SERVICE CONCESSION ARRANGEMENT (Continued)

The City has reported this service concession arrangement as receivable and deferred inflows of resources in the Motor Vehicle Parking Fund in an amount equal to the net present value of remaining basic monthly payments under the remaining term of the agreement, which totaled \$1,533,797.

8. CAPITAL ASSETS

Capital asset activity for the year ended February 29, 2016 was as follows:

Government activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 19,589,420	\$ 3,343,745	\$ 426,250	\$ 22,506,915
Construction in progress	16,269,361	11,638,875	11,468,491	16,439,745
Total capital assets, not being depreciated	35,858,781	14,982,620	11,894,741	38,946,660
Capital assets, being depreciated:				
Buildings and Improvements	40,346,983	462,036	2,605,480	38,203,539
Equipment	19,706,550	2,893,533	1,521,191	21,078,892
Equipment under capital lease	10,966,672	-	-	10,966,672
Infrastructure	188,625,940	14,452,142	2,278,020	200,800,062
Total capital assets, being depreciated	259,646,145	17,807,711	6,404,691	271,049,165
Less accumulated depreciation for:				
Buildings & Improvements	18,265,937	766,075	1,500,928	17,531,084
Equipment	17,393,395	1,798,343	1,416,611	17,775,127
Equipment under capital lease	4,048,434	500,560	-	4,548,994
Infrastructure	60,764,455	3,992,077	1,251,133	63,505,399
Total accumulated depreciation	100,472,221	7,057,055	4,168,672	103,360,604
Total capital assets, being depreciated, net	159,173,924	10,750,656	2,236,019	167,688,561
Government activities capital assets, net	\$ 195,032,705	\$ 25,733,276	\$ 14,130,760	\$ 206,635,221

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. CAPITAL ASSETS (Continued)

Business-type activities	Beginning Balance Restated	Additions	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 45,414,182	\$ 208,217	\$ -	\$ 45,622,399
Construction In Progress	8,635,388	33,018,659	22,594,283	19,059,764
Total capital assets, not being depreciated	54,049,570	33,226,876	22,594,283	64,682,163
Capital assets, being depreciated:				
Buildings and Improvements	766,716,178	1,169,762	750	767,885,190
Equipment	494,862,970	11,088,491	11,456,264	494,495,197
Infrastructure	562,625,808	12,804,810	765,364	574,665,254
Total capital assets being depreciated	1,824,204,956	25,063,063	12,222,378	1,837,045,641
Less accumulated depreciation for:				
Buildings and Improvements	192,808,186	14,284,884	750	207,092,320
Equipment	247,959,341	13,089,912	4,205,635	256,843,618
Infrastructure	286,478,195	12,125,727	765,364	297,838,558
Total accumulated depreciation	727,245,722	39,500,523	4,971,749	761,774,496
Total capital assets, being depreciated, net	1,096,959,234	(14,437,460)	7,250,629	1,075,271,145
Business-type activities capital assets, net	\$1,151,008,804	\$ 18,789,416	\$ 29,844,912	\$1,139,953,308

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,194,392
Public health and safety	1,188,463
Highways and street	4,524,937
Culture and recreation	149,263
Total depreciation expense – governmental activities	\$ 7,057,055

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. CAPITAL ASSETS (Continued)

Business-type activities:

Water	\$ 4,614,393
Electric and Power	32,736,776
Sewer	1,996,493
Motor Vehicle Parking	66,544
Oak Ridge Cemetery	86,317
Total depreciation expense – business-type activities	39,500,523
Less: amount included with auxiliary service property expenses	(134,042)
	<u>\$ 39,366,481</u>

9. LONG-TERM DEBT

The following is a summary of long-term debt transactions for the year ended February 29, 2016:

	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Bonds payable:					
General obligation bonds	\$ 61,865,000	\$ 37,650,000	\$ 11,485,000	\$ 88,030,000	\$ 3,685,000
Taxable tax increment bonds	19,039,359	140,238	269,182	18,910,415	299,299
Issuance premiums, net	6,551,346	3,735,626	445,868	9,841,104	-
Total bonds payable	87,455,705	41,525,864	12,200,050	116,781,519	3,984,299
Capital leases	6,310,742	446,900	1,246,601	5,511,041	1,412,211
Claims and judgments	8,688,074	33,553,346	33,651,778	8,589,642	6,410,580
Compensated absences	11,467,942	7,691,015	6,559,518	12,599,439	5,202,744
Net pension liability	307,163,260	108,531,780	-	415,695,040	-
Other postretirement benefit obligations	71,200,492	18,331,137	-	89,531,629	-
Government activity					
long-term liabilities	\$ 492,286,215	\$ 210,080,042	\$ 53,657,947	\$ 648,708,310	\$ 17,009,834
Business-type activities					
Bonds payable, revenue bonds	\$ 656,145,000	\$ 507,735,000	\$ 548,870,000	\$ 615,010,000	\$ 17,290,000
Deferred amounts:					
For issuance premiums, net	17,310,401	40,302,685	11,004,170	46,608,916	-
Total bonds payable	673,455,401	548,037,685	559,874,170	661,618,916	17,290,000
Loans payable	6,393,559	496,124	748,860	6,140,823	783,820
Claims and judgments	2,486,683	579,178	953,153	2,112,708	903,312
Compensated absences	7,300,060	4,907,221	4,314,857	7,892,424	4,289,716
IMRF net pension liability	51,845,958	23,650,927	-	75,496,885	-
Other postemployment benefit obligations	44,285,047	14,975,463	-	59,260,510	-
Business-type activity					
long-term liabilities	\$ 785,766,708	\$ 592,646,598	\$ 565,891,040	\$ 812,522,266	\$ 23,266,848

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LONG-TERM DEBT (Continued)

The claims and judgments liability will be liquidated through the City's Self Insurance Internal Service fund. The Self Insurance Fund will finance the payment of those claims by charging the other funds, including Electric Light and Power and Water Funds, premiums throughout the year based on management's assessment of the relative insurance risk that should be assumed by individual funds as a service premium during the budgeting process. Additional financing may come from charges to the enterprise funds for claims and judgments through direct reimbursement of services provided. The net pension obligations and postemployment benefit obligations will generally be liquidated through City's General Fund.

In the Debt Service Funds, \$103,966 is available for future general obligation bond debt service.

General obligation bonds:

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 10 – 20 year serial bonds with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

	Beginning Balance	Additions	Retirements	Ending Balances	Due Within One Year
(a)	\$ 1,205,000	\$ -	\$ 1,205,000	\$ -	\$ -
(b)	9,095,000	-	9,095,000	-	-
(c)	27,080,000	-	-	27,080,000	-
(d)	24,485,000	-	-	24,485,000	-
(e)	-	29,125,000	-	29,125,000	2,590,000
(f)	-	8,525,000	1,185,000	7,340,000	1,095,000
Total general obligation debt	<u>\$ 61,865,000</u>	<u>\$ 37,650,000</u>	<u>\$ 11,485,000</u>	<u>\$ 88,030,000</u>	<u>\$ 3,685,000</u>

- (a) \$16,385,000; General Obligation Bonds (Taxable), Series 2004A; Current Interest Bonds due December 1, 2015; interest 2.94 percent to 4.73 percent; interest payable June 1 and December 1; to be repaid by property taxes. A portion of the proceeds was used to prepay the Early Retirement Incentive liability to the Illinois Municipal Retirement Fund and to pay a litigation settlement agreement.

9. LONG-TERM DEBT (Continued)

- (b) \$13,855,000; General Obligation Refunding Bonds, Series 2005A; Current Interest Bonds due December 1, 2021; interest 5.00 percent to 6.00 percent; interest payable June 1 and December 1; to be repaid by property taxes. These proceeds were used to refund a portion of General Obligation Bonds, Series 1996C. During FY16, this debt was refunded with General Obligation Refunding Bonds, Series 2015A.
- (c) \$27,080,000; General Obligation Bonds, Series 2014; Current Interest Bonds due December 1, 2029; interest 3.00 percent to 5.00 percent; interest payable June 1 and December 1; to be repaid by a temporary .50% sales tax increase. At maturity of all bond issues of the City, sales tax will decrease by .25%. The proceeds are being used for infrastructure and improvements.
- (d) \$24,485,000; General Obligation Bonds, Series 2015; Current Interest Bonds due December 1, 2030; interest 5.00 percent; interest payable June 1 and December 1; to be repaid by a temporary .50% sales tax increase. At maturity of all bond issues of the City, sales tax will decrease by .25%. The proceeds are being used for infrastructure and improvements.
- (e) \$29,125,000; General Obligation Bonds, Series 2016; Current Interest Bonds due December 1, 2031; interest 3.00 percent to 5.00 percent; interest payable June 1 and December 1; to be repaid by a temporary .50% sales tax increase. At maturity of all bond issues of the City, sales tax will decrease by .25%. The proceeds are being used for infrastructure and improvements.
- (f) \$8,525,000; General Obligation Refunding Bonds, Series 2015A; Current Interest Bonds due December 1, 2021; interest 2.00 percent to 5.00 percent; interest payable June 1 and December 1; to be repaid by property taxes. These proceeds were used to refund a portion of General Obligation Bonds, Series 2005A. As a result of the refunding, the City achieved cash flow savings of \$656,374 and an economic gain of \$603,983. The refunded portion of the Series 2005A were called and paid from the escrow in July 2015.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LONG-TERM DEBT (Continued)

General obligation bonds debt service requirements to maturity are as follows:

<u>Fiscal Year Ending</u>	<u>Principal General Obligation Bonds and Notes</u>	<u>Interest General Obligation Bonds and Notes</u>	<u>Total General Obligation Bonds and Notes</u>
2017	\$ 3,685,000	\$ 3,871,228	\$ 7,556,228
2018	4,890,000	3,965,538	8,855,538
2019	5,095,000	3,761,038	8,856,038
2020	5,315,000	3,546,288	8,861,288
2021	5,550,000	3,300,538	8,850,538
2022 – 2026	25,580,000	12,637,688	38,217,688
2027 – 2031	30,950,000	5,997,338	36,947,338
2032	<u>6,965,000</u>	<u>295,700</u>	<u>7,260,700</u>
Total	<u>\$ 88,030,000</u>	<u>\$ 37,375,356</u>	<u>\$ 125,405,356</u>

Tax increment financing and special service area bonds:

The government owed \$18,910,415 in Tax Increment Financing and Special Service Area Bonds at February 29, 2016. The bonds are limited obligations of the TIF district or special service area payable solely and only from collections of incremental taxes from each specific district or area. These bonds do not constitute a general obligation of the City. Establishment of a TIF district or a special service area allows the City to use increment property tax within the district to leverage private development. Redevelopment is concentrated in areas designated as declining and/or blighted. TIF can provide for conservation of existing buildings, and encourages private investment in new commercial and public facilities, as well as various types of housing and public recreation areas.

Tax Increment Financing and Special Service Area Bonds outstanding as of February 29, 2016 are as follows:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
(a)	\$ 594,701	\$ -	\$ 229,748	\$ 364,953	\$ 217,527
(b)	329,213	-	39,434	289,779	41,406
(c)	7,500,000	-	-	7,500,000	-
(d)	7,500,000	-	-	7,500,000	-
(e)	1,783,593	68,930	-	1,852,523	24,074
(f)	1,331,852	71,308	-	1,403,160	16,292
	<u>\$ 19,039,359</u>	<u>\$ 140,238</u>	<u>\$ 269,182</u>	<u>\$ 18,910,415</u>	<u>\$ 299,299</u>

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LONG-TERM DEBT (Continued)

- (a) \$2,438,000; Taxable Tax Increment Revenue Bonds, Series 2005; due December 10, 2019; interest 2.99 percent to 8.35 percent based upon the three months LIBOR rate adjusted quarterly; principal and interest payable December 10; to be repaid by property tax.
- (b) \$630,000; Special Service Area Ad Valorem Tax Bonds, Series 2005; due December 1, 2025; interest 5.0 percent; principal and interest payable December 1, to be repaid by property tax.
- (c) \$7,500,000; Special Service Area Ad Valorem Tax Bonds, Series 2009; due March 1, 2032; interest 7.875 percent; principal payable March 1 and interest payable September 1 and March 1, to be repaid by special service area property tax and may be repaid with 1% sales and hotel taxes within the Business District.
- (d) \$7,500,000; Special Service Area Ad Valorem Tax Bonds, Series 2010; due March 1, 2032; interest 7.5 percent; principal payable March 1 and interest payable September 1 and March 1, to be repaid by special service area property tax and may be repaid with 1% sales and hotel taxes within the Business District.
- (e) \$1,852,523 Business District Tax Revenue Bonds, Series 2013A; due March 1, 2031; interest 3.81 percent; principal payable quarterly commencing January 1, 2017 and interest payable quarterly beginning January 1, 2014 (January 1, April 1, July 1, October 1), to be repaid by special service area property tax and may be repaid with 1% sales and hotel taxes within the Business District.
- (f) \$1,403,160; Special Taxable Business District Tax Revenue Bonds, Series 2013B; due March 1, 2031; interest 5.25 percent; principal payable quarterly commencing January 1, 2017 and interest payable quarterly beginning January 1, 2014 (January 1, April 1, July 1, October 1), to be repaid by special service area property tax and may be repaid with 1% sales and hotel taxes within the Business District.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LONG-TERM DEBT (Continued)

Tax Increment Financing and Special Service Area Bond debt service requirements to maturity are as follows:

<u>Fiscal Year Ending</u>	<u>Principal Tax Increment Financing and Special Service Area Bonds</u>	<u>Interest Tax Increment Financing and Special Service Area Bonds</u>	<u>Total Tax Increment Financing and Special Service Area Bonds</u>
2017	\$ 299,299	\$ 1,343,560	\$ 1,642,859
2018	356,848	1,317,619	1,674,467
2019	219,013	1,295,719	1,514,732
2020	229,052	1,285,680	1,514,732
2021	414,562	1,268,279	1,682,841
2022 – 2026	4,627,538	5,543,916	10,171,454
2027 – 2031	7,878,519	3,406,642	11,285,161
2032 – 2033	4,885,584	405,525	5,291,109
Total	<u><u>\$ 18,910,415</u></u>	<u><u>\$ 15,866,940</u></u>	<u><u>\$ 34,777,355</u></u>

Capital leases:

The City had the following outstanding capital leases as of February 29, 2016:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
(a)	\$ -	\$ 446,900	\$ -	\$ 446,900	\$ 147,204
(b)	536,271	-	266,353	269,918	269,918
(c)	1,542,874	-	376,765	1,166,109	382,672
(d)	1,081,597	-	171,891	909,706	174,985
(e)	3,150,000	-	431,592	2,718,408	437,432
Total capital leases	<u><u>\$ 6,310,742</u></u>	<u><u>\$ 446,900</u></u>	<u><u>\$ 1,246,601</u></u>	<u><u>\$ 5,511,041</u></u>	<u><u>\$ 1,412,211</u></u>

- (a) The government has entered into a lease agreement as lessee for financing the acquisition of radios, speakers, antennas and various other communication equipment for the Fire Department. The lease is paying interest at the rate of 1.170 percent. The original purchase price was \$446,900. The remainder of the balance will be paid with annual installments of \$152,520 including interest. This debt was issued for purposes of acquiring operating equipment.
- (b) The government has entered into a master lease-purchase agreement as a lessee for financing the acquisition of light trucks and vehicles. The lease is paying interest at a rate of 1.3387 percent. The cost of capital assets acquired was \$1,176,737. The balance of the lease agreement will be paid with annual installments of \$273,532 including interest, which concludes during fiscal year 2017. The debt was issued for the purpose of acquiring capital assets.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LONG-TERM DEBT (Continued)

Capital leases (Continued):

- (c) The government has entered into a master lease-purchase agreement as a lessee for financing the acquisition of heavy trucks and vehicles. The lease is paying interest at a rate of 1.5678 percent. The cost of capital assets acquired was \$2,609,435. The balance of the lease agreement will be paid with annual installments of \$400,954 including interest, which concludes during fiscal year 2019. The debt was issued for the purpose of acquiring capital assets.
- (d) The government has entered into a lease-purchase agreement as a lessee for financing the acquisition of a fleet garage. The lease is paying interest at a rate of 1.950 percent. The loan proceeds were spent in the acquisition of the fleet building and other fleet related expenses. The balance of the lease agreement will be paid with annual installments of \$192,777 including interest, which concludes during fiscal year 2021. The debt was issued for the purpose of acquiring capital assets.
- (e) The government has entered into a lease-purchase agreement as a lessee for financing the acquisition of vehicles and equipment. The lease is paying interest at a rate of 1.39 percent. As of February 29, 2016, the cost of capital assets acquired was \$3,103,419. The balance of the lease agreement will be paid with annual installments of \$475,743 including interest, which concludes during fiscal year 2022. The debt was issued for the purpose of acquiring capital assets.

The future minimum lease obligations and the net present value of these minimum lease payments as of February 29, 2016, were as follows:

Fiscal Year	Government Activities		
	Capital Lease Principal	Capital Lease Interest	Capital Lease Total
2017	\$ 1,412,211	\$ 83,310	\$ 1,495,521
2018	1,159,679	62,311	1,221,990
2019	1,177,271	44,719	1,221,990
2020	641,662	26,854	668,516
2021	651,493	16,819	668,312
2022	468,725	6,606	475,331
Total	<u>\$ 5,511,041</u>	<u>\$ 240,619</u>	<u>\$ 5,751,860</u>

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LONG-TERM DEBT (Continued)

Revenue bonds:

The government issues revenue bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The amounts outstanding at the end of the current fiscal year are as follows:

	Beginning Balances	Additions	Retirements	Ending Balances	Due Within One Year
(a)	\$ 282,045,000	\$ -	\$282,045,000	\$ -	\$ -
(b)	193,780,000	-	188,195,000	5,585,000	5,585,000
(c)	94,710,000	-	76,190,000	18,520,000	9,000,000
(d)	-	507,735,000	-	507,735,000	-
(e)	19,630,000	-	720,000	18,910,000	750,000
(f)	65,980,000	-	1,720,000	64,260,000	1,955,000
Revenue bond principal payable	656,145,000	507,735,000	548,870,000	615,010,000	17,290,000
Unamortized debt premium	17,595,285	40,302,685	11,031,004	46,866,966	-
Unamortized debt discount	(284,884)	-	(26,834)	(258,050)	-
Total revenue bonds debt	\$ 673,455,401	\$548,037,685	\$559,874,170	\$ 661,618,916	\$ 17,290,000

Electric Light and Power:

- (a) \$314,810,000; Electric Revenue Bonds (Senior Lien), Series of 2006; final payment due March 1, 2035; interest 3.625 to 5 percent; interest payable March 1 and September 1; principal payable March 1; to be repaid by net revenues of the Electric Light and Power Fund. A portion of the proceeds were used to retire \$44,065,000 of Electric Revenue Bonds (Senior Lien), Series of 2001. The remaining outstanding bonds totaling \$270,095,000 were refunded during fiscal year 2016 with the issuance of the Electric Revenue Refunding Bonds (Senior Lien), Series 2015.
- (b) \$198,080,000; Electric Revenue Bonds (Senior Lien), Series of 2007; final payment due March 1, 2035; interest 4 percent to 5 percent; interest payable March 1 and September 1; principal payable March 1; to be repaid by net revenues of the Electric Light and Power Fund. A portion of the outstanding bonds totaling \$185,910,000 were refunded during fiscal year 2016 with the issuance of the Electric Revenue Refunding Bonds (Senior Lien), Series 2015.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LONG-TERM DEBT (Continued)

Revenue bonds (Continued):

- (c) \$103,230,000; Electric Revenue Bonds (Senior Lien), Series of 2008; final payment due March 1, 2037; interest 3 percent to 5 percent; interest payable March 1 and September 1; principal payable March 1; to be repaid by net revenues of the Electric Light and Power Fund. A portion of the proceeds were used to retire the Electric Revenue Bond Subordinate Lien Series 2000 and 2002. A portion of the outstanding bonds totaling \$76,190,000 were refunded during fiscal year 2016 with the issuance of the Electric Revenue Refunding Bonds (Senior Lien), Series 2015.
- (d) \$507,735,000; Electric Revenue Refunding Bonds (Senior Lien), Series 2015; final payment due March 1, 2040; interest 3.5 percent to 5 percent; interest payable March 1 and September 1; principal payable March 1; to be repaid by net revenues of the Electric Light and Power Fund. The proceeds refunded the Electric Revenue Bonds, Series 2006 and a portion of the Electric Revenue Bonds, Series 2007 and 2008. As a result of the refunding, the Electric Light and Power Fund will realize additional cash flows savings of approximately \$12,129,742 and an economic gain of \$37,718,898.

Water:

- (e) \$22,140,000; Water Revenue Bonds, Series of 2008; initial principal payment due March 1, 2011; final payment due March 1, 2032; interest 4.0 percent to 5.5 percent; interest payable March 1 and September 1; principal payable March 1; to be repaid by net revenue of Water Fund.
- (f) \$68,050,000; Water Revenue Bonds, Series 2012; initial principal payment due March 1, 2013; final payment due March 1, 2037; interest 1.25 percent to 5.0 percent; interest payable March 1 and September 1; principal payable March 1; to be repaid by net revenue of Water Fund.

Debt service requirements to maturity:

Fiscal Year Ending February 29/28	Revenue Bonds Principal	Revenue Bonds Interest	Total
2017	\$17,290,000	\$ 22,648,661	\$ 39,938,661
2018	12,350,000	28,039,075	40,389,075
2019	14,185,000	27,420,588	41,605,588
2020	14,870,000	26,710,238	41,580,238
2021	16,205,000	25,947,456	42,152,456
2022 – 2026	94,170,000	116,681,468	210,851,468
2027 – 2031	120,590,000	90,201,863	210,791,863
2032 – 2036	152,990,000	57,709,400	210,699,400
2037 - 2041	172,360,000	19,298,350	191,658,350
	<u>\$615,010,000</u>	<u>\$414,657,099</u>	<u>\$1,029,667,099</u>

9. LONG-TERM DEBT (Continued)

Revenue bonds (Continued):

There are a number of limitations and restrictions in the various bond indentures. At February 29, 2016, cash and investments of \$82,461,539 are restricted by revenue bond ordinances to pay debt service and certain other operating and capital expenditures. Significant limitations and restrictions of the revenue bonds are as follows:

- Additional revenue bonds can be issued by certain enterprise funds if net revenue (all revenue of the system after deduction of the reasonable and necessary expenses of operation and maintenance but before depreciation, interest expense, and amortization), as shown in the financial statements audited by an independent certified public accountant or an officer's certificate for the last completed fiscal year, prior to the issuance of such bonds, is equal to at least 1.25 times the combined maximum annual principal and interest requirements on the bonds then outstanding and the additional bonds to be issued.
- Electric charges are to be collected from the various City of Springfield departments except the street department for street lighting purposes.
- Water charges are to be collected from the various City of Springfield departments except the street and fire departments.
- Disposals of utility plant can only be of a routine operational nature.
- An annual operating budget for certain enterprise funds shall be adopted by the City.
- Investments are restricted as shown within the cash, cash equivalents and investments footnote.
- For the Water Fund net revenue (as defined in the bond ordinances) must equal or exceed the greater of 1.25 times principal and interest for each fiscal year, or 1.00 times principal and interest for each fiscal year plus amounts sufficient to meet reserve requirements.
- Net revenue of the Electric Light and Power Fund as defined in the bond ordinances must equal 1.25 times principal and interest for each fiscal year after reduction for reserve account requirements. The bond ordinances exclude principal and interest on subordinate lien debt for the purpose of this test.

As of February 29, 2016, the City was in compliance with the debt covenants of the bond ordinances.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LONG-TERM DEBT (Continued)

Loans payable:

The City also had several loans outstanding at the end of fiscal year 2016. The outstanding loan activity for the government as of February 29, 2016 is as follows:

	Business-Type Activities				
	Beginning Balances	Additions	Retirements	Ending Balances	Due Within One Year
(a)	\$ 1,030,502	\$ -	\$ 125,827	\$ 904,675	\$ 129,216
(b)	2,795,696	-	174,731	2,620,965	174,731
(c)	332,161	-	28,883	303,278	28,884
(d)	1,273,059	-	268,989	1,004,070	276,751
(e)	962,141	-	150,430	811,711	154,268
(f)	-	496,124	-	496,124	19,970
Total loans payable	\$ 6,393,559	\$ 496,124	\$ 748,860	\$ 6,140,823	\$ 783,820

Water Fund:

- (a) \$2,325,284; loan from the State of Illinois Environmental Protection Agency (IEPA) Water Revolving Fund - Drinking Water Project; final payment due April 28, 2022; interest 2.675 percent; principal and interest payable April 28 and October 28; to be repaid by net revenue of the Water Fund.
- (b) \$4,532,613; ARRA Loan from the Illinois Environmental Protection Agency (IEPA) Water Revolving Fund, Drinking Water Project L17-2530; 25 percent grant, 75 percent loan payable at 0.00 percent; principal payable on June 1 and December 1; to be repaid by net revenue of the Water Fund.
- (c) \$599,757; ARRA Loan from the Illinois Environmental Protection Agency (IEPA) Water Revolving Fund, Drinking Water Project L17-3756; 25 percent grant, 75 percent loan payable at 0.00 percent; principal payable on June 2 and December 2; to be repaid by net revenue of the Water Fund.

Sewer Fund:

- (d) \$4,596,718; loan from the State of Illinois Environmental Protection Agency (IEPA) Water Pollution Control Revolving Loan Fund; repayment period of 20 years; interest at 2.865 percent; principal and interest payable April 15 and October 15; to be repaid by net revenue of the Sewer Fund.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. LONG-TERM DEBT (Continued)

- (e) \$2,647,318; loan from the State of Illinois Environmental Protection Agency (EPA) Water Pollution Control Revolving Loan Fund; repayment period of 20 years; interest at 2.535 percent; principal and interest payable January 28 and July 28; to be repaid by net revenue of the Sewer Fund.
- (f) \$2,824,579; loan from the State of Illinois Environmental Protection Agency (EPA) Water Pollution Control Revolving Loan Fund; repayment period of 20 years; interest at 2.21 percent; principal and interest payable January 4 and July 4; to be repaid by net revenue of the Sewer Fund.

Loan debt service requirements to maturity are as follows:

Fiscal Year Ending	Business-Type Activities		
	Loans Payable Principal	Loans Payable Interest	Loans Payable Total
2017	\$ 783,820	\$ 80,600	\$ 864,420
2018	799,665	64,755	864,420
2019	815,943	48,477	864,420
2020	680,894	31,751	712,645
2021	539,750	21,121	560,871
2022 – 2026	1,357,440	43,597	1,401,037
2027 – 2031	1,018,150	24,074	1,042,224
2032 – 2036	145,161	8,968	154,129
Total	<u>\$ 6,140,823</u>	<u>\$ 323,343</u>	<u>\$ 6,464,166</u>

Line of credit:

The City has the following line of credit series:

- (a) \$15,000,000; Revolving Line of Credit (Subordinate Lien) from Illinois National Bank re-issued Fiscal Year 2015; final payment due September 1, 2019; interest 0.275 percentage point below the Index, (1 month LIBOR, currently 2.923 percent per annum). Non-usage fee of .05 percent of the average unused monthly balance is paid monthly. The line of credit is to be repaid by the net revenues of the Electric Light and Power Fund. As of February 29, 2016, the amount owed on the line of credit was \$0.

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN

Plan Description, Provisions, Basis of Accounting and Funding Policies:

Illinois Municipal Retirement Fund – Regular, Sheriff’s Law Enforcement Personnel (SLEP), and Elected County Officials (ECO): The City of Springfield’s defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an Agent-Multiple-Employer Public Employee Retirement System that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a financial report that includes financial statements and required supplementary information for the plan as a whole, but not for individual employers. That report may be obtained at www.imrf.org or IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Illinois Municipal Retirement Fund - Regular

Plan Administration:

All employees (other than those covered by the Police Pension Plan and the Firefighter’s Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership:

At December 31, 2015, the date of the most recent actuarial valuation, the IMRF membership consisted of:

Retired employees or their beneficiaries currently receiving benefits	1,513
Inactive employees entitled to, but not yet receiving, benefits	397
Active Employees	<u>955</u>
Total	<u><u>2,865</u></u>

Benefits Provided:

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Contributions:

Illinois Municipal Retirement Fund – Regular: Employees participating in IMRF are required to contribute 4.5 percent of their annual covered salary. The member rate is established by state statute. The City of Springfield is required to contribute at an actuarially determined rate. The employer annual required contribution rate for calendar year 2016 and 2015 was 16.24 and 15.44 percent, respectively, of payroll. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while supplemental retirement benefits rate is set by statute.

Net Pension Liability:

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Asset valuation method	Market Value
Assumptions:	
Inflation	2.75%
Salary increases	3.75% to 14.5%
Interest rate	7.50%
Cost of living adjustments	3.00%

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Mortality

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2015 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate:

The discount rate used to measure the total pension liability was 7.46%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rate equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members. Therefore, expected rate of return of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.46% used to determine the total pension liability.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Changes in the Net Pension Liability:

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2015	\$615,643,270	\$538,959,856	\$ 76,683,414
Changes for the period:			
Service cost	7,741,537	-	7,741,537
Interest	45,019,774	-	45,019,774
Difference between expected and actual experience	5,701,739	-	5,701,739
Changes in assumptions	748,889	-	748,889
Employer contributions	-	13,260,115	(13,260,115)
Employee contributions	-	3,386,746	(3,386,746)
Net investment income	-	2,652,218	(2,652,218)
Benefit payments and refunds	(33,679,386)	(33,679,386)	-
Administrative expense	-	-	-
Other (net transfer)	-	10,594,339	(10,594,339)
Net changes	25,532,553	(3,785,968)	29,318,521
BALANCES AT DECEMBER 31, 2015	\$641,175,823	\$535,173,888	\$106,001,935

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources:

For the year ended February 29 2016, the City recognized pension expense of \$5,603,639. At February 29, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,188,298	\$ -
Changes in assumption	550,108	-
Net difference between projected and actual earnings on pension plan investments	30,022,671	-
Contributions made after measurement date	1,731,901	-
TOTAL	\$ 36,492,978	\$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Period ended February 28/29,	
2017	\$ 10,949,791
2018	9,217,890
2019	8,819,630
2020	7,505,667
2021	-
Thereafter	-
TOTAL	\$ 36,492,978

Discount Rate Sensitivity:

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.46% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.46%) or 1 percentage point higher (8.46) than the current rate:

	1% Decrease (6.46%)	Current Discount Rate (7.46%)	1% Increase (8.46%)
Net pension liability (asset)	\$722,693,717	\$641,175,823	\$574,127,255
Plan Fiduciary Net Position	<u>535,173,888</u>	<u>535,173,888</u>	<u>535,173,888</u>
Net Pension Liability / (Asset)	187,519,829	106,001,935	38,953,367

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Illinois Municipal Retirement Fund – SLEP:

Plan Membership:

At December 31, 2015, the date of the most recent actuarial valuation, the IMRF SLEP membership consisted of:

Retired employees or their beneficiaries currently receiving benefits	7
Inactive employees entitled to, but not yet receiving, benefits	-
Active Employees	-
Total	<u><u>7</u></u>

Benefits Provided:

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after twenty years of service. Participating members who retire at age 50 with twenty years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.5% of their final rate of earnings, where total pension at retirement cannot exceed 80% of the final rate of earnings.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 50 (reduced benefits) or after age 55 (full benefits) with 10 years of credited service are generally entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.5% of their final rate of earnings, where total pension at retirement cannot exceed 75% of the final rate of earnings.

Contributions:

Illinois Municipal Retirement Fund –SLEP: Employees participating in IMRF-SLEP are required to contribute 7.5 percent of their annual covered salary. The member rate is established by state statute. The City of Springfield is required to contribute at an actuarially determined rate. The employer rate for calendar year 2015 was 13.69 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Illinois Municipal Retirement Fund – SLEP (Continued)

Net Pension Liability:

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Asset valuation method	Market Value
Assumptions:	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%

Retirement Age – Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 – 2013.

Mortality

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2015 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Illinois Municipal Retirement Fund – SLEP (Continued)

Discount Rate:

The discount rate used to measure the total pension liability was 7.50%. The project of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension (Asset) Liability:

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Asset
Balances at January 1, 2015	\$ 289,939	\$ 297,614	\$ (7,675)
Changes for the period:			
Interest	21,205	-	21,205
Difference between expected and actual experience	(23,291)	-	(23,291)
Employer contributions	-	1,663	(1,663)
Net investment income	-	1,456	(1,456)
Benefit payments and refunds	(14,409)	(14,409)	-
Other (net transfer)	-	(6,319)	6,319
Net changes	(16,495)	(17,609)	1,114
Balances at December 31, 2015	\$ 273,444	\$ 280,005	\$ (6,561)

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Illinois Municipal Retirement Fund – SLEP (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources:

For the year ended February 29, 2016, the City recognized pension expense of \$(13,343). At February 29, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	16,120	-
Contributions made after measurement date	225	-
TOTAL	\$ 16,345	\$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Period ended February 28/29,	
2017	\$ 4,255
2018	4,030
2019	4,030
2020	4,030
2021	-
Thereafter	-
TOTAL	\$ 16,345

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Illinois Municipal Retirement Fund – SLEP (Continued)

Discount Rate Sensitivity:

The following is a sensitivity analysis of the net pension (asset) liability to changes in the discount rate. The table below presents the pension (asset) liability of the City calculated using the discount rate of 7.50% as well as what the City's net pension (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 301,614	\$ 273,444	\$ 249,649
Plan Fiduciary Net Position	<u>280,005</u>	<u>280,005</u>	<u>280,005</u>
Net Pension Liability / (Asset)	21,609	(6,561)	(30,356)

Illinois Municipal Retirement Fund – ECO:

Plan Membership:

At December 31, 2015, the date of the most recent actuarial valuation, the IMRF ECO membership consisted of:

Retired employees or their beneficiaries currently receiving benefits	1
Inactive employees entitled to, but not yet receiving, benefits	-
Active Employees	-
Total	<u><u>1</u></u>

Benefits Provided:

IMRF provides ECO - an alternative benefit plan for elected county officials in Illinois. The ECO plan was closed to new participants on August 8, 2011.

- ECO participation between January 26, 2000 and December 31, 2010 participate in Revised ECO Tier 1.
- If participation was elected in the ECO Plan on or after January 1, 2011, then the member participates in Revised ECO Tier 2.
- If a member first participated in the ECO plan prior to January 26, 2000, then the member participates in Original ECO.

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Illinois Municipal Retirement Fund – ECO (Continued)

If an elected county official participates in the Original ECO plan, the official remains in the ECO plan as long as he or she works in any position qualifying for IMRF participation. ECO plan members contribute 7.50% of earnings toward an enhanced pension formula. A member's Final Rate of Earnings under the Original ECO plan is the annual salary payable on the last day of participation as a member of the ECO plan divided by 12.

Contributions:

Illinois Municipal Retirement Fund – ECO: Employees participating in IMRF-ECO are required to contribute 7.5 percent of their annual covered salary. The member rate is established by state statute. The City of Springfield is required to contribute at an actuarially determined rate. The employer rate for calendar year 2015 was 0.00 percent of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

Net Pension Liability:

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Asset valuation method	Market Value
Assumptions:	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Illinois Municipal Retirement Fund – ECO (Continued)

Actuarial Assumptions (Continued)

Retirement Age

Experience-based table of rates that are specific to the type of Eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.

Mortality

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2015 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate:

The discount rate used to measure the total pension liability was 7.50%. The project of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Illinois Municipal Retirement Fund – ECO (Continued)

Changes in the Net Pension (Asset) Liability:

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
Balances at January 1, 2015	\$ 6,560	\$ 6,451	\$ 109
Changes for the period:			
Interest	492	-	492
Difference between expected and actual experience	(1,370)	-	(1,370)
Net investment income	-	32	(32)
Other (net transfer)	-	(800)	800
Net changes	(878)	(768)	(110)
Balances at December 31, 2015	\$ 5,682	\$ 5,683	\$ (1)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources:

For the year ended February 29, 2016, the City recognized pension expense of \$(448). At February 29, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	338	-
Contributions made after measurement date	-	-
TOTAL	\$ 338	\$ -

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Illinois Municipal Retirement Fund – ECO (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued):

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Period ended February 28/29,	
2017	\$ 84
2018	84
2019	84
2020	86
2021	-
Thereafter	-
TOTAL	<u>\$ 338</u>

Discount Rate Sensitivity:

The following is a sensitivity analysis of the net pension (asset) liability to changes in the discount rate. The table below presents the pension (asset) liability of the City calculated using the discount rate of 7.50% as well as what the City's net pension (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 6,441	\$ 5,682	\$ 5,067
Plan Fiduciary Net Position	5,683	5,683	5,683
Net Pension Liability / (Asset)	<u>758</u>	<u>(1)</u>	<u>(616)</u>

Police Pension Fund: The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are mandated by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. Refer to Note 1 for the address to obtain financial statements of the Police Pension Fund.

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Police Pension Fund (Continued)

The Fund is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's mayor, one retiree is elected, and two active police employees are elected.

The pension trust fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the statement of plan net assets. Pension trust fund operating statements present increases (e.g., additions) and decreases (e.g., deductions) in plan net assets.

The accrual basis of accounting is utilized by the pension trust fund. Under this method, additions are recorded when earned and deductions are recorded at the time liabilities are incurred.

At February 29, 2016, the date of the most recent actuarial valuation, the Police Pension Fund membership consisted of:

Retirees and beneficiaries currently receiving benefits	228
Terminated employees entitled to, but not yet receiving, benefits	3
Active Employees	<u>254</u>
Total	<u><u>485</u></u>

Benefits Provided

The Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service and is no longer in service as a police officer is entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years of service. Employees with at least 8 years, but less than 20 years of credited service, may retire at or after age 60 to a pension of 2.5 percent of the salary attached to the rank held on the last day of service by the officer for each year of creditable service. The monthly benefit of a police officer who retired after January 1, 1977 shall be increased, upon either the first of the month following the first anniversary of the date of retirement if the officer is 55 years of age or over at retirement date, or by 1/12 of 3.00 percent of the originally granted pension for each full month that has elapsed since the pension began, and by 3 percent of the current amount of pension in each January thereafter.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Police Pension Fund (Continued)

Covered employees are required by ILCS to contribute 9.91 percent of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Plan.

Changes in the Net Pension Liability:

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at March 1, 2015	\$279,888,229	\$145,584,445	\$134,303,784
Changes for the period:			
Service cost	6,838,653	-	6,838,653
Interest	16,130,049	-	16,130,049
Difference between expected and actual experience	(8,623,937)	-	(8,623,937)
Changes in assumptions	54,324,917	-	54,324,917
Employer contributions	-	9,050,592	(9,050,592)
Employee contributions	-	1,895,118	(1,895,118)
Net investment income	-	(6,690,669)	6,690,669
Miscellaneous income	-	7,757	(7,757)
Benefit payments and refunds	(12,066,816)	(12,066,816)	-
Administrative expense	-	(228,877)	228,877
Net changes	56,602,866	(8,032,895)	64,635,761
Balances at February 29, 2016	\$336,491,095	\$137,551,550	\$198,939,545

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources:

For the year ended February 29, 2016, the City recognized pension expense of \$21,377,447. At February 29, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to Police Pension Fund from the following sources:

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Police Pension Fund (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 7,330,992
Changes in assumption	46,180,251	-
Net difference between projected and actual earnings on pension plan investments	13,467,705	-
Contributions made after measurement date	-	-
 TOTAL	 \$ 59,647,956	 \$ 7,330,992

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Period ended February 28/29,	
2017	\$ 10,218,648
2018	10,218,648
2019	10,218,648
2020	10,218,645
2021	6,851,721
Thereafter	4,590,654
 TOTAL	 \$ 52,316,964

Springfield Firefighters' Pension Fund: The Springfield Firefighters' Pension Fund is a single-employer defined benefit pension plan that covers all sworn fire personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are mandated by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. Refer to Note 1 for address to obtain financial statements of the Springfield Firefighters' Pension Fund.

The Fund is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's mayor, one retiree is elected, and two active police employees are elected.

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Firefighters' Pension Fund (Continued)

The pension trust fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the statement of plan net position. Pension trust fund operating statements present increases (e.g., additions) and decreases (e.g., deductions) in plan net position.

The accrual basis of accounting is utilized by the pension trust fund. Under this method, additions are recorded when earned and deductions are recorded at the time liabilities are incurred.

At February 29, 2016, the date of the most recent actuarial valuation, the Springfield Firefighters' Pension Fund membership consisted of:

Retirees and beneficiaries currently receiving benefits	253
Inactive employees entitled to, but not yet receiving benefits	1
Active Employees	<u>215</u>
Total	<u><u>469</u></u>

Benefits Provided

The Plan provides retirement benefits as well as death and disability benefits. For persons who first become firefighters prior to January 1, 2011, covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held at the date of retirement. The pension shall be increased by 1/12 of 2.5 percent of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75.0 percent of such monthly salary. Employees with at least 10 years, but less than 20 years, of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Firefighters' Pension Fund (Continued)

Benefits Provided (Continued)

Employees that are hired after January 1, 2011, attaining the age of 55 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the average salary for the last 8 years of service (subject to a maximum salary). The pension shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to a maximum of 75 percent of such salary. Employees with at least 10 years, but less than 20 years of credited service, may retire and receive a reduced benefit, which begins at age 60. Employees that have attained the age of 50 with at least 10 years of service may retire but their pension is reduced by $\frac{1}{2}$ percent per month for each year the employee is under age 55. The monthly pension shall be increased annually, following the first anniversary date of retirement, and be paid upon reaching the age of at least 60 years, by the lesser of $\frac{1}{12}$ of 3 percent of the original pension times the number of months the employee has been retired since age 60 (up to a maximum of 15 percent) or by a factor of the CPI-U, whichever is less. Dependents receive an annual increase under the same formula as the retired officer.

Covered employees are required to contribute 9.455 percent of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Plan as actuarially determined by an enrolled actuary. By the year 2040, the City's contributions must accumulate to the point where the past service cost for the Plan is at least 90 percent funded.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Firefighters' Pension Fund (Continued)

Changes in the Net Pension Liability:

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at March 1, 2015	\$271,285,203	\$120,485,702	\$150,799,501
Changes for the period:			
Service cost	5,111,168	-	5,111,168
Interest	17,506,592	-	17,506,592
Difference between expected and actual experience	4,164,750	-	4,164,750
Changes in assumptions	14,101,572	-	14,101,572
Employer contributions	-	9,786,645	(9,786,645)
Employee contributions	-	1,696,300	(1,696,300)
Net investment income	-	(5,946,400)	5,946,400
Benefit payments and refunds	(13,670,346)	(13,670,346)	-
Administrative expense	-	(109,969)	109,969
Net changes	27,213,736	(8,243,770)	35,457,506
Balances at February 29, 2016	\$298,498,939	\$112,241,932	\$186,257,007

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources:

For the year ended February 29, 2016, the City recognized pension expense of \$18,132,486. At February 29, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to Firefighters' Pension Fund from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,573,166	\$ -
Changes in assumption	12,098,507	-
Net difference between projected and actual earnings on pension plan investments	11,439,992	-
Contributions made after measurement date	-	-
TOTAL	\$ 27,111,665	\$ -

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Firefighters' Pension Fund (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Period ended</u> <u>February</u> <u>28/29,</u>	
2017	\$ 5,454,648
2018	5,454,648
2019	5,454,648
2020	5,454,644
2021	2,594,649
Thereafter	<u>2,698,428</u>
TOTAL	<u>\$ 27,111,665</u>

Significant investments

Police Pension Fund: There are no significant investments (other than U.S. government and agencies' securities - separate account) in any one organization that represent five percent or more of net plan assets available for pension benefits. Financial statements, including investments, for the fund may be obtained from the address in Note 1.

Springfield Firefighters' Pension Fund: There are no significant investments (other than U.S. government and U.S. government-guaranteed obligations) in any one organization that represent five percent or more of net plan assets available for pension benefits. Financial statements, including investments, for the fund may be obtained from the address in Note 1.

**10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)**

Actuarial Assumptions

The total pension liability was determined using the following actuarial methods and assumptions.

	Police Pension Fund	Firefighters' Pension Fund
Actuarial Valuation Date	February 29, 2016	February 29, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
<u>Assumptions</u>		
Inflation	2.50%	2.50%
Salary Increases	4% - 17.04%	4% - 16.79%
Interest Rate	7%	7%
Asset Valuation	Market value	Market value
Marital Status	80%	80%

Mortality rates were based on the assumption study prepared by Lauterbach & Amen LLP in 2016. The table combines observed experience of Illinois Police Officers and Illinois Firefighters with the RP-2014 mortality table for blue collar workers.

Changes in the actuarial valuation for the Police Pension Fund and the Firefighters' Pension Fund included a change in the discount rate based upon the change in market conditions impacting the High Quality 20 year tax-exempt G.O. Bonds rate and changes in the demographic assumptions impacting the mortality rates, mortality improvement rates, retirement rates, disability rates, and termination rates.

Discount Rate

The discount rate used to measure the total pension liability was 5.89% per year for the Police Pension Fund. The discount rate used to measure the total pension liability was 6.62% for the Firefighters' Pension Fund. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plans' fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, expected rate of return of 7.00% (7.25 in 2015) was blended with a municipal bond rate of 3.34% (3.75% in 2015) based on the Bond Buyer G.O. 20-Bond Municipal Bond Index to arrive at a discount rate of 5.89% (6.92% in 2015) for the Police Pension Fund and 6.62% (6.80% in 2015) for the Firefighters' Pension Fund used to determine the total pension liability.

10. EMPLOYEE RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
(Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the Police Pension Fund net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 5.89% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.89%) or 1 percentage point higher (6.89%) than the current rate:

	1% Decrease (4.89%)	Current Discount Rate (5.89%)	1% Increase (6.89%)
Net Pension Liability	\$ 253,093,130	\$ 198,939,545	\$ 155,348,402

Discount Rate Sensitivity

The following is a sensitivity analysis of the Firefighters' Pension Fund net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.62% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.62%) or 1 percentage point higher (7.62%) than the current rate:

	1% Decrease (5.62%)	Current Discount Rate (6.62%)	1% Increase (7.62%)
Net Pension Liability	\$ 228,401,295	\$ 186,257,007	\$ 151,756,102

11. DEFERRED COMPENSATION PLAN

Certain employees paid by the City participate in a deferred compensation plan (the Plan) established in accordance the requirements of the Internal Revenue Code Section 457 and sponsored by the City. Participation in the plan is available to all employees of the City. The City holds no administration responsibility, investment responsibility or liability for losses under the plan.

12. ECONOMIC DEVELOPMENT BONDS

The City has approved Economic Development Bonds, Hospital Bonds and Mortgage Bonds totaling \$39,444,070 in favor of several corporations and homeowners. The purpose of these bond issues is to acquire and construct facilities for these entities' use in their operations and to provide low interest mortgage loans to homeowners. The economic costs of the bond issues are paid by the individual corporations and homeowners. The amount outstanding as of February 29, 2016 is not readily determinable. As provided in the ordinance authorizing the issuance of the bonds, the City has no liability, as the following describes:

"No holder or holders of any of the bonds shall have any right to compel any exercise of the taxing power of the City to pay the bonds or the interest or premium, if any, thereon, and said bonds shall not constitute an indebtedness of the City or a loan of the credit thereof within the meaning of any constitutional or statutory provision."

13. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is self-insured for medical benefits. When a probable medical claim liability has been incurred at year-end, and the amount of such claims can be reasonably estimated, the City records the estimated amount in its Self-Insurance Fund. The claim liability includes claims incurred and unpaid and an estimation for claims incurred but not reported (IBNR), based on historical data.

Rates are developed annually to fund the medical self-insurance program, both claims and administrative costs, in an Internal Service Fund. All funds and departments of the City are charged monthly thereafter. The annual cost of this medical program is recorded as an operating cost in both the governmental funds and proprietary funds.

The City is also self-insured for certain general liability claims and for workers' compensation claims. Resources are available and reserved as of February 29, 2016, to pay these estimated claims, including those incurred but not reported.

The City is required by bond ordinance to maintain insurance for the utility systems of the kinds and in the amounts customarily carried by private parties operating similar properties; provided, however, that the City may self-insure over all or a part of such risks by establishing reasonable reserves or budgetary provisions. The City uses a combination of insurance policies and self-insurance to comply with the provisions of the bond ordinance. The City has a property coverage contract with National Union Fire Insurance Company of Pittsburgh, Pa., an AIG company, which provides property insurance coverage for the facilities of the utility system. This contract which expires on July 14, 2017 has a liability limit of \$350,000,000. Settlement amounts have not exceeded insurance coverage for the current and three prior fiscal years. In addition, the City has established, within the General Account of the Electric Light and Power Fund, an Insurance Reserve Account which is used to pay for losses incurred by the System which are not covered by insurance policies and are less than \$900,000. As of February 29, 2016, the amount on deposit in the Insurance Reserve Account was \$1,000,303.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. RISK MANAGEMENT (Continued)

The Electric Light and Power and Water Funds pay actual workers' compensation claims by reimbursing the Self-Insurance Fund.

The change in the balance of claims liabilities as of February 28/29, 2016 and 2015 for the City is as follows:

	Years Ended	
	2016	2015
Unpaid claims beginning of year	\$ 11,174,757	\$ 11,548,898
Current year claims incurred including IBNRs	34,132,524	32,930,398
Claim payments	<u>(34,604,931)</u>	<u>(33,304,539)</u>
Unpaid claims at end of year	<u>\$ 10,702,350</u>	<u>\$ 11,174,757</u>

Unpaid claims at year-end are reported as claims and judgments liability in the Self Insurance, Electric Light and Power, and Water Funds.

14. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)

The requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, address employer reporting for participation in defined benefit and defined contribution Other Postemployment Benefits (OPEB) plans that provide postemployment benefits other than pensions. OPEB benefits include healthcare and other non-pension benefits provided to employees in exchange for employee services rendered and constitutes part of the compensation for those services.

Plan description:

The City of Springfield Retiree Health Insurance Plan is a self-insured single-employer defined benefit medical plan that operates under the administration of the City's Office of Human Resources. The benefits, benefit levels, employee contributions, and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

14. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (Continued)

Benefits provided:

The City provides post-employment health care and life insurance benefits to its retirees. Retired employees of the City of Springfield and their dependents are eligible to participate in the plan. Retirees are required to pay certain premiums and the City pays the balance of the cost of the plan. Individual funds contribute the City's portion of retiree OPEB costs for their respective portion of retirees.

All health care benefits are provided through the City's insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental health, substances abuse care; vision care; dental care; and prescriptions. Upon reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan become secondary. Until a retiree reaches age 65, \$25,000 of life insurance coverage is provided at no cost.

Membership:

At February 29, 2016, membership consisted of:

Retirees and beneficiaries currently receiving benefits	605
Active employees fully eligible to retire	139
Active employees not yet fully eligible to retire	<u>1,144</u>
Total	<u>1,888</u>

Funding policy:

The obligations of the plan members, employers and other entities are established by action of the City. The required contribution rates of the employer and the members vary depending on the applicable agreement. The City currently contributes enough money to the plan to satisfy current obligations on a pay-as-you go basis. The costs of administering the plan are paid by the City's Self Insurance Fund.

The required contribution is based on projected pay-as-you-go financing. For fiscal year 2016, the City contributed \$4,562,662 which was net of retirees premiums received of \$3,716,198.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (Continued)

Annual OPEB cost and net OPEB obligation:

The City's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The City has engaged an actuary to calculate the ARC and related information per the provisions of GASB Statement 45 for employers in plans with more than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and the City's net OPEB obligation to the Retiree Health Plan at February 29, 2016:

Annual required contribution	\$ 37,099,358
Interest on net OPEB obligation	4,619,422
Adjustment to annual req contribution	(3,849,518)
Annual OPEB cost (expense)	<u>37,869,262</u>
Contributions and payments made	<u>(4,562,662)</u>
Increase in net OPEB obligation	33,306,600
Net OPEB obligation- March 1, 2015	<u>115,485,539</u>
Net OPEB obligation- February 29, 2016	<u><u>\$ 148,792,139</u></u>

The City's OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and the two preceding years are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
February 28, 2014	\$20,504,090	22.32%	94,613,663
February 28, 2015	25,715,640	18.84%	115,485,539
February 29, 2016	37,869,262	12.05%	148,792,139

Funded status and funding progress:

The funded status of the plan as of February 29, 2016 was as follows:

Actuarial Accrued Liability (AAL)	\$ 431,136,403
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	431,136,403
Funded Ratio (Actuarial Value of Plan Assets/AAL)	N/A
Covered Payroll (Active Employees)	93,568,692
UAAL as a Percentage of Covered Payroll	461%

14. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (Continued)

Funded status and funding progress (Continued):

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented in the required supplementary information section, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the participating member. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The City's OPEB actuarial valuation as of February 29, 2016, used the entry age normal actuarial cost method to estimate both the unfunded actuarial liability and Annual Required Contribution as of February 29, 2016. This method was selected because it produced the best estimate of the OPEB liability and annual cost. Because the OPEB liability is currently unfunded, the actuarial assumptions include a 4.0 percent rate of return on invested assets, which is based on the City's investments. The actuarial assumptions also include an annual medical trend rate of 6.30 percent that starts in fiscal year 2016, to an ultimate rate of 5.50 percent by the year 2029. The rate of compensation/inflation rate assumption used within the actuarial valuation was 4.00 percent per year. The actuarial value of assets was not determined as the City has not advance funded the obligation. The unfunded actuarial accrued liability is being amortized over 30 years as a level percent of payroll. The remaining amortization period at February 29, 2016 is 30 years.

14. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (Continued)

Allocation of post employment benefits

The City's allocations of its OPEB liability to the City's functions are as follows:

Governmental activities:	
General Government	\$ 10,875,780
Public Safety	53,880,737
Highways and Streets	17,213,818
Economic Development	2,796,166
Culture and Recreation	4,765,128
Business activities:	
Water Fund	10,171,056
Electric Light & Power Fund	45,273,553
Oak Ridge Cemetery	663,842
Sewer Fund	2,439,730
Motor Vehicle Parking Systems	712,329
	<u>\$ 148,792,139</u>

15. COMMITMENTS AND CONTINGENT LIABILITIES

The City participates in a number of federal financial assistance programs, principal of which are the Community Development Block Grant and Rental Subsidy programs. Although the City grant programs have been audited through February 29, 2016, in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), these programs are still subject to financial and compliance audits and resolution of any previously identified questioned costs. The amounts, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

By ordinance, the City is required to annually provide \$100,000 from hotel-motel taxes for operations of the Springfield Metropolitan Exposition and Auditorium Authority (SMEAA).

City Council approved a Resource Management Agreement with The Energy Authority (TEA), giving TEA the exclusive right to market the City's excess generation capacity, effective March 1, 2003. Under this agreement, the City pays a monthly resource management fee to TEA. The City paid resource management fees of \$768,081 and \$764,260 to TEA during the years ended February 29, 2016 and February 28, 2015, respectively.

15. COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

The City is a transmission-owning member of Midcontinent Independent System Operator (MISO) and participates in the energy market operated by MISO (the “MISO Energy Market”) under a Resource Management Agreement with The Energy Authority Inc. (“TEA”). The City has designated TEA to be the Market Participant for the transaction of power sales and purchases in the MISO Energy Market on behalf of the City. The MISO Energy Market consists of both Day Ahead and Real Time energy markets. Participation in the MISO Energy Market gives the System the ability to offer excess generating capacity for sale into the MISO Energy Market and also provides the opportunity for economical power purchases to accommodate the System’s native load needs at certain times of the year. Net sales to MISO totaled \$6,507,731 and \$10,478,169 for the years ended February 29, 2016 and February 28, 2015, respectively. Net sales to MISO are included with operating revenues.

On August 10, 2006, the Illinois Environmental Protection Agency issued to the City the Prevention of Significant Deterioration Air Permit, known as the “Air Permit”, for the Dallman 4 Project. On September 12, 2006, however, the Sierra Club challenged the “Air Permit”, which caused a delay in issuance of the release to begin construction. The City estimated that the cost of an expected one-year delay from the Sierra Club’s challenge to the Air Permit could total a minimum of \$150 million. To avoid the increased cost and prevent further construction delay, on November 16, 2006, the City entered into a settlement with the Sierra Club and the release to begin construction was granted. Under the settlement, the City agreed to enter into a power purchase agreement for 120 MW of wind power capacity at a reasonable price for at least ten years.

In accordance with the Settlement, the Electric Light and Power Fund purchased 54,008 MW from Hancock County Wind costing \$2,959,232 and 337,021 MW from Crystal Lake Wind, LLC costing \$19,964,685 in fiscal year 2016.

The Police Pension and Springfield Firefighters’ Pension Plans are subject to a program compliance audit by the Illinois Department of Insurance. The compliance audit for the year ended February 29, 2016 has not yet been conducted. Accordingly, the Plans’ compliance with applicable requirements will be established at some future date. The amount of adjustments, if any, to be made by the Illinois Department of Insurance cannot be determined at this time although the Plans expect such amount, if any, to be immaterial.

The City is also party to various other legal proceedings that have occurred during normal governmental operations. There are multiple suits filed for automobile accidents involving City vehicles. The City is contesting all liability. Although outcome of these law suits is not presently determinable, in the opinion of the City Attorney, the resolutions will not have a material adverse effect on the financial condition of the City.

15. COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

The City is party to several arbitrations regarding union employees. These cases are either awaiting a decision from the arbitrator or in the early discovery stages. Any potential liabilities have been considered in the general liability of the City.

The City utilizes encumbrance accounting to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end the amount of encumbrance expected to be honored upon performance by the vendor in the next fiscal year were as follows:

General	\$ 144,667
Capital Improvement	287,703
Self Insurance Fund	314,074
Nonmajor governmental	6,506,563
Nonmajor Enterprise	<u>2,230,647</u>
Total	<u>\$9,483,654</u>

16. PLEDGED REVENUES

The Electric Light and Power Fund has pledged future net revenues, net of operations and maintenance costs, to repay \$661.12 million in electric revenue bonds issued in 2006, 2007 and 2008. Proceeds from these bonds provided financing for various electric system projects including the construction of Dallman Unit 4. The bonds are payable solely from electric net revenues and are payable through March 1, 2037. Annual principal and interest payments on the bonds are required to be 80 percent or less of net revenues as per the bond ordinance. As of fiscal year 2015, the total principal and interest remaining to be paid on the bonds is \$954.6 million. For fiscal year 2015, the total principal and interest paid and total net revenues were \$42,140,020 and \$53,074,225, respectively.

During fiscal year 2016, the issuance of the Series 2015 Senior Electric Lien bonds refunded a portion of the 2006, 2007 and 2008 electric revenue bonds. The Series 2015 bonds are payable solely from electric net revenues and are payable through March 1, 2040. As of fiscal year 2016, the total principal and interest remaining to be paid on the bonds is \$893.7 million. For fiscal year 2016, the total principal and interest paid (including the refunding) and total net revenues were \$581,008,154 and \$71,219,129, respectively.

The Water Fund has pledged future net revenues, net of operations and maintenance costs, to repay \$100.740 million in water revenue bonds issued in 2004, 2008 and 2012. Proceeds from these bonds provided financing for various water system projects. The bonds are payable solely from water system net revenues and are payable through March 1, 2037. The total principal and interest remaining to be paid on the bonds is \$135.9 million as of February 29, 2016 and \$142.4 million as of February 28, 2015. Annual principal and interest payments on the bonds are required to be 80 percent or less of net revenues as per the bond ordinance. For fiscal year 2016, the total principal and interest paid, and total net revenues were \$6,481,250 and \$13,574,789, respectively.

16. PLEDGED REVENUES (Continued)

The City has pledged a portion of future property tax revenues to repay tax increment financing and special service area bonds issued to finance the redevelopment in areas designated as declining and/or blighted. The bonds are payable solely from the incremental property taxes generated in those areas. The City may use a special 1% sales and hotel tax from within the Business District to repay the Legacy Point Area SSA bonds. Total principal and interest remaining on the bonds is \$34,175,818, payable through March 2032. For the current year, principal and interest paid and total incremental property tax revenues were \$1,293,363 and \$841,471, respectively.

17. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit fund balance/net position

The following funds had deficit fund balances or net position, which will be funded by the collection of future property taxes, program income, federal grants, developer guarantees and transfers from other funds:

Illinois Municipal Retirement Fund	\$ (136,188)
Support Services Revolving Fund	(1,179,361)
Self Insurance Fund	(4,767,913)
South Central Business District	(644,369)

Fund balances disclosure:

Economic Development has a restricted fund balance of \$4,499,466.

\$137,194 is restricted for the Community Development Block Grant which works to provide decent affordable housing, to provide services to the most vulnerable in Springfield, and to create jobs through expansion/retention of businesses.

\$2,413,360 is restricted for downtown TIF eligible projects.

\$196,202 is restricted for DCEO grant monies received which are used to expand or relocate businesses and for public infrastructure for specific economic development projects.

\$1,229,450 is restricted for Madison Park Place TIF eligible projects.

\$32,659 is restricted for the Illinois Housing Development Authority Grant which is used to assist Springfield citizens in purchasing homes/ preventing foreclosures during financial crisis such as job loss.

\$401,972 is restricted for Enos Park TIF projects.

\$26 is restricted for Northeast TIF eligible projects.

17. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

\$4,242 is restricted for Jefferson Crossing TIF eligible projects.

\$16,331 is restricted for MacArthur TIF eligible projects.

\$68,030 is restricted for Dirksen Parkway Commercial Redevelopment TIF eligible projects.

Capital Projects has a restricted fund balance of \$36,072,536.

\$976,988 is restricted for expenditures related to the Stanford Avenue, Eleventh Street and Koke Mill Road construction projects. This fund also accounts for the revenues and expenditures related to the Wanless' Iles Junction Special Service Area.

\$763,375 is restricted for expenditures related to the South Grand Pointe Project.

\$14,600 is restricted for the South Central Business District project.

\$46,581 is restricted for capital equipment purchases.

\$34,270,992 is restricted for infrastructure/capital improvements (General Obligation Bond series 2015 and series 2016 unspent bond proceeds).

Highways & Streets has a restricted fund balance of \$8,955,295.

\$8,955,295 in the Motor Fuel Tax Fund is restricted for infrastructure.

Public Safety has a restricted fund balance of \$1,015,609.

\$156,135 is restricted by the State Drug Profit Forfeiture Fund which accounts for revenues received from the Illinois State Police for seized assets in narcotic arrests and allowable expenditures related to police activities that the State approves.

\$336,330 is restricted by the Police Evidence Fund which accounts for monies collected as evidence in legal cases and then remitted either back to the suspect or remitted to the Illinois State Police, who then disperses the funds to the law enforcement agencies involved.

\$250,823 is restricted by the Federal Drug Profit Forfeiture Fund which accounts for revenues received from the Federal Government for seized assets in narcotic arrests and allowable expenditures related to police activities that the Federal Government must approve.

17. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

\$1,543 is restricted by the Police Law Enforcement Block Grant which is monies received by the U.S. Department of Justice to be used for specific areas of crime reduction and public safety.

\$225,497 is restricted by the Local Foreign Fire Insurance Fund which is monies received from the fire tax which can only be spent on Board approved items for the Springfield Fire Department.

\$45,281 is restricted by the Police Laboratory Fund which is monies received from the court systems for marijuana drug testing completed by certified Springfield police detectives, which can only be used for approved police expenditures.

Debt Service has a restricted fund balance of \$3,892,164.

\$103,966 is restricted for principal and interest payments for Wanless Iles Junction SSA.

\$2,245,884 is restricted for principal and interest payments for the South Central Business District Fund.

\$1,542,314 is restricted for principal and interest payments for the General Obligation Bond series 2014, series 2015 and series 2016.

Recycling has a committed fund balance of \$359,006.

\$359,006 is committed for the Recycling Fund which accounts for revenues received from recycling fees which can be used on related waste and recycling expenses.

Convention and Visitors Fund has a committed fund balance of \$1,935,239.

\$1,935,239 is committed for the Convention and Visitors Fund which accounts for hotel and motel taxes committed for the promotion of tourism and conventions in Springfield.

The Capital Equipment Fund has a committed fund balance of \$124,967, which is committed for the purchase of capital equipment.

The General Fund has a committed fund balance of \$144,667 for funds already committed for next fiscal year.

CITY OF SPRINGFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

17. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

The General fund has an assigned fund balance of \$1,004,240.

\$1,004,240 is assigned for the Library Fund as it is a sub-fund of the General Fund.

Capital Improvement fund has an assigned fund balance of \$35,847,662, which is assigned for capital/infrastructure improvements.

18. PRIOR PERIOD ADJUSTMENT

During the fiscal year, the City recorded a change in accounting principle for the implementation of GASB Statement No. 68 and GASB Statement No. 71 to recognize the effect of recording the Net Pension Liability resulting from its participation in the pension plans. The Statement of Activities beginning of the year net position has also been restated due to a prior period adjustment for an understatement in the prior year revenue for the State of Illinois High Speed Rail Project.

	Governmental Activities	Business-Type Activites	Electric Light and Power Fund	Water Fund	Other Enterprise Funds
Net position, March 1, 2015 (as previously reported)	\$ 114,160,561	\$ 540,744,032	\$ 330,520,490	\$ 160,332,325	\$ 52,440,378
Restated for:					
IMRF Net Pension Liability prior period	(22,059,975)	(51,845,958)	(39,437,938)	(9,777,156)	(2,630,864)
Pension Trust Funds Net					
Pension Liability Prior Period	(285,103,285)	-	-	-	-
Deferred outflow for contributions made between December 31, 2014 and February 28, 2015	533,158	1,319,512	1,006,001	249,950	63,561
Understatement of grant revenue	2,444,916	-	-	-	-
Total restatement	(304,185,186)	(50,526,446)	(38,431,937)	(9,527,206)	(2,567,303)
Net position, March 1, 2015 (as restated)	\$ (190,024,625)	\$ 490,217,586	\$ 292,088,553	\$ 150,805,119	\$ 49,873,075

19. SUBSEQUENT EVENTS

An application and an IEPA loan agreement was formally approved for a wastewater treatment works loan under the provisions of the Environmental Protection Act. The loan agreement was approved August 2015 in the amount of \$2,824,579 at a 2.21 percent simple annual interest rate. The following loan proceeds were received during FY17: March 23, 2016, \$736,507.62, and June 28, 2016, \$1,592,516.76.

A modification and extension agreement for the operating and management contract between the City of Springfield and Pinnacle Limited Partnership for the City of Springfield Motor Vehicle Parking Ramp at Seventh and Monroe was executed in June 2016. The term of the contract has been extended through April 30, 2064. The City will undertake reasonable structure and cosmetic repair to rehabilitate the ramp at an approximate cost of \$3.4M at the expense of the City to be completed within 2 years of agreement execution. Upon completion of the permanent improvements the City will not contribute any future funds for ramp maintenance or rehabilitation.

In April 2016, the State of Illinois Department of Revenue identified a misallocation of personal property replacement taxes that resulted in overpayments to various municipalities of an estimated \$168 million. The City's portion of the overpayment totaled \$353 thousand. As the amount will be recovered by the Department over an extended time period beginning in calendar year 2017 a liability for the City's portion has been recorded in the City's financial statements.

In July 2016, U.S. Senator Dick Durbin's office announced that the City will receive \$14 million in grant funding from the U.S. Department of Transportation for the next phase of the railroad relocation project through the Federal government's Transportation Investment Generating Economic Recovery program (TIGER).

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - GENERAL FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues				
Taxes:				
Property tax	\$ 21,435,237	\$ 21,435,237	\$ 21,268,745	\$ 166,492
State sales tax	28,529,282	28,529,282	28,419,785	109,497
City sales tax	27,754,545	27,754,545	27,920,128	(165,583)
Use tax	4,150,000	4,150,000	4,728,068	(578,068)
Miscellaneous	3,485,000	3,485,000	3,467,913	17,087
Total taxes	<u>85,354,064</u>	<u>85,354,064</u>	<u>85,804,639</u>	<u>(450,575)</u>
Fees for service:				
Fire protection	1,117,397	1,117,397	1,097,499	19,898
Public works services	882,600	882,600	935,601	(53,001)
Fees for licenses	205	205	140	65
Miscellaneous	703,800	703,800	647,348	56,452
Total fees for service	<u>2,704,002</u>	<u>2,704,002</u>	<u>2,680,588</u>	<u>23,414</u>
Investment income	<u>1,500</u>	<u>1,500</u>	<u>29,779</u>	<u>(28,279)</u>
Intergovernmental:				
State income tax	11,574,447	11,574,447	12,412,961	(838,514)
Replacement tax	2,196,500	2,196,500	2,155,713	40,787
State grants	358,000	369,440	116,585	252,855
Federal grants	127,972	141,601	156,610	(15,009)
Intergovernmental reimbursements	492,698	492,698	516,932	(24,234)
Total intergovernmental	<u>14,749,617</u>	<u>14,774,686</u>	<u>15,358,801</u>	<u>(584,115)</u>
Licenses and permits:				
Building permits	897,000	897,000	847,127	49,873
Liquor licenses	285,200	285,200	321,743	(36,543)
Other licenses and permits	107,950	107,950	97,136	10,814
Total licenses and permits	<u>1,290,150</u>	<u>1,290,150</u>	<u>1,266,006</u>	<u>24,144</u>
Fines and citations:				
Traffic fines	910,000	910,000	771,467	138,533
Other fines and citations	430,300	430,300	425,378	4,922
Total fines and citations	<u>1,340,300</u>	<u>1,340,300</u>	<u>1,196,845</u>	<u>143,455</u>
Franchise fees	<u>2,109,600</u>	<u>2,109,600</u>	<u>2,215,420</u>	<u>(105,820)</u>
Reimbursements:				
Intragovernmental reimbursements	9,145,484	9,145,484	518,449	8,627,035
Total reimbursements	<u>9,145,484</u>	<u>9,145,484</u>	<u>518,449</u>	<u>8,627,035</u>
Other revenues, miscellaneous	<u>498,528</u>	<u>498,528</u>	<u>505,809</u>	<u>(7,281)</u>
Total revenues	<u>117,193,245</u>	<u>117,218,314</u>	<u>109,576,336</u>	<u>7,641,978</u>

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - GENERAL FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Expenditures				
General government:				
Mayor	\$ 1,449,174	\$ 1,457,574	\$ 1,377,170	\$ 80,404
Veterans commission	1,000	1,000	842	158
City council	573,686	573,686	567,759	5,927
City clerk	584,651	584,841	572,898	11,943
City treasurer	1,299,194	1,299,194	1,112,504	186,690
Corporation counsel	1,661,570	1,660,995	1,590,676	70,319
Human resources	1,363,755	1,359,015	1,291,034	67,981
Budget and management	2,053,848	2,053,848	1,938,034	115,814
General city	3,046,984	3,038,724	2,676,549	362,175
Municipal band	57,000	56,200	47,496	8,704
Civil service commission	30,000	30,000	25,472	4,528
Disabilities commission	400	400	215	185
Planning and zoning commission	30,000	25,000	20,345	4,655
Senior citizens commission	80,700	80,700	81,935	(1,235)
Total general government	<u>12,231,962</u>	<u>12,221,177</u>	<u>11,302,929</u>	<u>918,248</u>
Public health and safety:				
Fire	36,390,379	36,340,529	35,920,653	419,876
Building and zoning	3,044,002	3,292,102	3,208,611	83,491
Solid waste	80,047	80,047	73,100	6,947
Police	44,432,493	44,469,360	43,029,121	1,440,239
Total public health and safety	<u>83,946,921</u>	<u>84,182,038</u>	<u>82,231,485</u>	<u>1,950,553</u>
Highway and streets:				
Engineering	1,483,904	1,471,804	1,400,305	71,499
Garage	8,831,354	9,034,454	9,128,620	(94,166)
Streets	1,044,294	1,005,294	830,490	174,804
Traffic engineering	1,222,225	1,123,125	1,073,407	49,718
Total highway and streets	<u>12,581,777</u>	<u>12,634,677</u>	<u>12,432,822</u>	<u>201,855</u>
Economic development	<u>\$ 603,152</u>	<u>\$ 603,152</u>	<u>\$ 448,524</u>	<u>\$ 154,628</u>

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL - GENERAL FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Capital outlay:				
Mayor	\$ 91,750	\$ 88,350	\$ 38,627	\$ 49,723
City clerk	6,700	6,510	5,326	1,184
Treasurer	6,750	6,750	6,180	570
Corporation counsel	4,800	5,375	4,808	567
Human resources	2,000	6,740	7,142	(402)
Budget and management	10,650	12,950	7,415	5,535
General City	100,000	105,960	26,862	79,098
Municipal Band	-	800	752	48
Fire	372,000	898,460	850,942	47,518
Building and zoning	13,100	12,100	1,371	10,729
Police	638,580	679,080	522,776	156,304
Engineering	10,600	10,600	11,048	(448)
Garage	113,500	113,500	116,718	(3,218)
Streets	2,250	2,250	1,685	565
Traffic engineering	5,300	5,300	3,079	2,221
Total capital outlay	<u>1,377,980</u>	<u>1,954,725</u>	<u>1,604,731</u>	<u>349,994</u>
Total expenditures	<u>110,741,792</u>	<u>111,595,769</u>	<u>108,020,491</u>	<u>3,575,278</u>
Excess of revenues over expenditures	<u>6,451,453</u>	<u>5,622,545</u>	<u>1,555,845</u>	<u>4,066,700</u>
Other financing sources (uses)				
Capital lease issuance	-	450,000	446,900	(3,100)
Transfers in	-	-	8,512,317	8,512,317
Transfers out	(7,470,413)	(7,470,413)	(7,467,038)	3,375
Total other financing sources (uses)	<u>(7,470,413)</u>	<u>(7,020,413)</u>	<u>1,492,179</u>	<u>8,512,592</u>
Net change in fund balance	<u>\$ (1,018,960)</u>	<u>\$ (1,397,868)</u>	3,048,024	<u>\$ (4,445,892)</u>
Lincoln Library Fund - General Fund Sub-fund			(329,552)	
Fund balance, beginning of year			18,982,410	
Fund balance, end of year			<u>\$ 21,700,882</u>	

CITY OF SPRINGFIELD, ILLINOIS

 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 RETIREE HEALTH PLAN

February 29, 2016

Actuarial Valuation Date	Actuarial Value of Net Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2/29/16	\$ -	\$ 431,136,403	\$ 431,136,403	-	\$ 93,568,692	460.77%
2/28/15	-	376,648,755	376,648,755	-	93,568,692	402.54
2/28/14	-	376,648,755	376,648,755	-	93,568,692	402.54
2/28/13	-	292,687,705	292,687,705	-	96,959,664	301.87
2/29/12	-	292,687,705	292,687,705	-	96,959,664	301.87
2/28/11	-	273,309,647	273,309,647	-	96,299,102	283.31

CITY OF SPRINGFIELD, ILLINOIS

 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 ILLINOIS MUNICIPAL RETIREMENT FUND

Year Ended February 29, 2016

	<u>2016</u>
Actuarially Determined Contribution	\$ 10,920,182
Contributions in Relation to the Actuarially Determined Contribution	10,925,426
Contribution Deficiency (Excess)	<u><u>(5,244)</u></u>
Covered-Employee Payroll	\$ 70,174,007
Contributions as a Percentage of Covered-Employee Payroll	15.57%

Notes to the Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of December 31, 2015. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry age normal; the amortization method was level percent of payroll, closed and the amortization period was 28 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually

CITY OF SPRINGFIELD, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND -
SHERIFF'S LAW ENFORCEMENT PERSONNEL (SLEP)**

Year Ended February 29, 2016

	<u>2016</u>
Actuarially Determined Contribution	\$0
Contributions in Relation to the Actuarially Determined Contribution	1,611
Contribution Deficiency (Excess)	<u><u>(1,611)</u></u>
Covered-Employee Payroll	\$0
Contributions as a Percentage of Covered- Employee Payroll	0.00%

Notes to the Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of December 31, 2015. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry age normal; the amortization method was level percent of payroll, closed and the amortization period was 28 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually

CITY OF SPRINGFIELD, ILLINOIS

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND -
ELECTED COUNTY OFFICIALS (ECO)**

Year Ended February 29, 2016

	2016
Actuarially Determined Contribution	\$0
Contributions in Relation to the Actuarially Determined Contribution	\$0
Contribution Deficiency (Excess)	<u><u>\$0</u></u>
Covered-Employee Payroll	\$0
Contributions as a Percentage of Covered- Employee Payroll	0.00%

Notes to the Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of December 31, 2015. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry age normal; the amortization method was level percent of payroll, closed and the amortization period was 28 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually

CITY OF SPRINGFIELD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION PLAN

Year Ended February 29, 2016

	As of		As of		As of	
	February 28, 2014		February 28, 2015		February 29, 2016	
Actuarially Determined Contribution	\$	8,519,086	\$	9,108,968	\$	9,050,592
Contributions in Relation to the Actuarially Determined Contribution		8,519,086		9,608,968		9,050,592
Contribution Deficiency (Excess)		-		(500,000)		-
Covered-Employee Payroll	\$	18,451,326	\$	18,716,719	\$	20,250,340
Contributions as a Percentage of Covered-Employee Payroll		46.17%		51.34%		44.69%

Notes to the Required Supplementary Information:

GASB Statement No. 67 requires a 10-year schedule of changes in the net pension liability. The statement provides that required supplementary information should be presented for as many years for which information measured in conformity with the requirements of the Statement is available. Additional information as of the latest actuarial valuation presented as follows: The actuarial cost method was projected unit credit; the amortization method was level percentage of pay, 90% closed basis and the amortization period was 25 years.

CITY OF SPRINGFIELD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION PLAN

Year Ended February 29, 2016

	As of February 28, 2014	As of February 28, 2015	As of February 29, 2016
Actuarially Determined Contribution	\$ 9,579,518	\$ 10,661,138	\$ 9,786,645
Contributions in Relation to the Actuarially Determined Contribution	9,599,575	9,973,179	9,786,645
Contribution Deficiency (Excess)	(20,057)	687,959	-
Covered-Employee Payroll	\$ 15,938,419	\$ 16,810,597	\$ 16,982,730
Contributions as a Percentage of Covered-Employee Payroll	60.23%	59.33%	57.63%

Notes to the Required Supplementary Information:

GASB Statement No. 67 requires a 10-year schedule of changes in the net pension liability. The statement provides that required supplementary information should be presented for as many years for which information measured in conformity with the requirements of the Statement is available. Additional information as of the latest actuarial valuation presented as follows: The actuarial cost method was projected unit credit; the amortization method was level percentage of pay, 90% closed basis and the amortization period was 25 years.

CITY OF SPRINGFIELD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
RETIREE HEALTH PLAN

Year Ended February 29, 2016

Fiscal Year	Employer Contributions	Annual Required Contributions (ARC)	Percentage of ARC Contributed
2016	\$ 4,562,662	\$ 37,099,358	12.30%
2015	4,843,764	24,988,049	19.38%
2014	4,575,763	19,898,989	22.99%
2013	3,706,272	19,898,989	18.63%
2012	3,815,665	19,245,714	19.83%
2011	2,125,721	19,245,714	11.05%

CITY OF SPRINGFIELD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
 AND RELATED RATIOS
 ILLINOIS MUNICIPAL RETIREMENT FUND

February 29, 2016

	Regular Plan December 31, 2015	SLEP Plan December 31, 2015	ECO Plan December 31, 2015
TOTAL PENSION LIABILITY			
Service Cost	\$ 7,741,537	\$ -	\$ -
Interest on the Total Pension Liability	45,019,774	21,205	492
Changes of Benefit Terms	-	-	(1,370)
Differences Between Expected and Actual Experience	5,701,739	(23,291)	-
Changes of Assumptions	748,889	-	-
Benefit Payments, Including Refunds of Member Contributions	<u>(33,679,386)</u>	<u>(14,409)</u>	<u>-</u>
Net Change in Total Pension Liability	25,532,553	(16,495)	(878)
Total Pension Liability - Beginning	<u>615,643,270</u>	<u>289,939</u>	<u>6,560</u>
TOTAL PENSION LIABILITY - ENDING	<u><u>\$ 641,175,823</u></u>	<u><u>\$ 273,444</u></u>	<u><u>\$ 5,682</u></u>
PLAN FIDUCIARY NET POSITION			
Contributions - Employer	\$ 13,260,115	\$ 1,663	\$ -
Contributions- Employee	3,386,746	-	-
Net Investment Income	2,652,218	1,456	32
Benefit Payments, Including Refunds of Member Contributions	(33,679,386)	(14,409)	-
Other	<u>10,594,339</u>	<u>(6,319)</u>	<u>(800)</u>
Net Change in Plan Fiduciary Net Position	(3,785,968)	(17,609)	(768)
Plan Net Position - Beginning	<u>538,959,856</u>	<u>297,614</u>	<u>6,451</u>
PLAN NET POSITION - ENDING	<u><u>\$ 535,173,888</u></u>	<u><u>\$ 280,005</u></u>	<u><u>\$ 5,683</u></u>
EMPLOYER'S NET PENSION LIABILITY	<u><u>\$ 106,001,935</u></u>	<u><u>\$ (6,561)</u></u>	<u><u>\$ (1)</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.47%	102.40%	100.02%
Covered-Employee Payroll	\$ 71,519,784	\$ -	\$ -
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	148.21%	0.00%	0.00%

CITY OF SPRINGFIELD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS
POLICE PENSION PLAN

February 29, 2016

	2015	2016
TOTAL PENSION LIABILITY		
Service Cost	\$ 5,469,903	\$ 6,838,653
Interest	18,510,532	16,130,049
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	(8,623,937)
Changes of Assumptions	-	54,324,917
Benefit Payments, Including Refunds of Member Contributions	(11,585,442)	(12,066,816)
Net Change in Total Pension Liability	12,394,993	56,602,866
Total Pension Liability - Beginning	267,493,236	279,888,229
TOTAL PENSION LIABILITY - ENDING	\$ 279,888,229	\$ 336,491,095
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ 9,608,968	\$ 9,050,592
Contributions- Member	1,956,068	1,895,118
Net Investment Income	8,926,872	(6,690,669)
Benefit Payments, Including Refunds of Member Contributions	(11,585,442)	(12,066,816)
Administrative Expense	(164,934)	(228,877)
Other	302	7,757
Net Change in Plan Fiduciary Net Position	8,741,834	(8,032,895)
Plan Net Position - Beginning	136,842,611	145,584,445
PLAN NET POSITION - ENDING	\$ 145,584,445	\$ 137,551,550
EMPLOYER'S NET PENSION LIABILITY	\$ 134,303,784	\$ 198,939,545
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.0%	40.9%
Covered-Employee Payroll	\$ 18,716,719	\$ 20,250,340
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	717.6%	982.4%

Changes in assumptions related to changes in the discount rate and the mortality tables used since the prior measurement date. The discount rate went from 6.92% to 5.89%. The mortality tables used were previously the RP-2000 mortality tables projected to the appropriate years, while the current mortality tables were based upon assumption studies performed by Lauterbach & Amen, LLP in 2016.

CITY OF SPRINGFIELD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS
FIREFIGHTERS' PENSION PLAN

February 29, 2016

	2015	2016
TOTAL PENSION LIABILITY		
Service Cost	\$ 5,438,758	\$ 5,111,168
Interest	17,749,350	17,506,592
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	4,164,750
Changes of Assumptions	-	14,101,572
Benefit Payments, Including Refunds of Member Contributions	(12,922,751)	(13,670,346)
Net Change in Total Pension Liability	10,265,357	27,213,736
Total Pension Liability - Beginning	261,019,846	271,285,203
TOTAL PENSION LIABILITY - ENDING	\$ 271,285,203	\$ 298,498,939
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ 9,973,179	\$ 9,786,645
Contributions- Member	1,704,162	1,696,300
Net Investment Income	7,144,916	(5,946,400)
Benefit Payments, Including Refunds of Member Contributions	(12,922,751)	(13,670,346)
Administrative Expense	(133,317)	(109,969)
Net Change in Plan Fiduciary Net Position	5,766,189	(8,243,770)
Plan Net Position - Beginning	114,719,513	120,485,702
PLAN NET POSITION - ENDING	\$ 120,485,702	\$ 112,241,932
EMPLOYER'S NET PENSION LIABILITY	\$ 150,799,501	\$ 186,257,007
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	44.4%	37.6%
Covered-Employee Payroll	\$ 17,649,529	\$ 16,982,730
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	854.4%	1096.7%

CITY OF SPRINGFIELD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS

February 29, 2016

Annual Money-Weighted Rate of Return, Net of Investment Expense		
	2015	2016
Police Pension Plan	6.71%	-4.74%
Firefighters' Pension Plan	6.30%	-4.86%

CITY OF SPRINGFIELD, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO FINANCIAL STATEMENTS

1. BUDGETARY INFORMATION

Budgetary information:

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to February 28/29, the Director of the Office of Budget and Management submits to the City Council, a proposed operating budget for the fiscal year commencing March 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to March 1, the budget is legally enacted through passage of an ordinance.
- The level of budgetary control is by major object within each department.
- The department head responsible for approval of transfers, certifies the transfer is necessary and transmits a copy of the approval so that the Director of the Office of Budget and Management may record the transfers. The sum of such transfers cannot exceed 2 percent of the total appropriation within specified major objects. Budgeted amounts may be transferred between line items within a department within a fund; however, any revisions that alter total departmental expenditures of any fund must be approved by the City Council. Unexpended appropriations remaining at year-end lapse, rolled, or re-appropriated in the next fiscal year.
- Supplemental budgetary appropriations were necessary during the fiscal year ended February 29, 2016. Supplemental appropriations totaled \$1,148,806.
- Budgets are adopted on the modified accrual basis of accounting for the General Fund, Special Revenue Funds, Oak Ridge Cemetery Operating Fund, Motor Vehicle Parking System, Sewer, Debt Service Funds and the Capital Projects Funds, except for the funds indicated below, by fund type. The following funds were unbudgeted for fiscal year 2016.

Special Revenue Funds

Illinois Municipal Retirement Fund
Park Towers Fund
Local Foreign Fire Insurance Fund

Enterprise Funds

Oak Ridge Endowment Care Sub-Fund

- Budgets are also adopted in accordance with revenue bond ordinances for the following Enterprise Funds: Water, and Electric Light and Power. The Water and Electric Light and Power budgets are adopted on the accrual basis.

CITY OF SPRINGFIELD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

2. EXPENDITURES IN EXCESS OF BUDGET

The following major object line items had an excess of expenditures over budget for the year ended February 29, 2016:

General Fund	
General Government – Senior Citizens Commission	\$ 1,235
Highway and Streets – Garage	94,166
Capital Outlay – Human Resources	402
Capital Outlay – Garage	3,218
Capital Outlay – Engineering	448
Capital Improvements Fund	
Highway and streets – Personal Services	630
Debt Service – Principal	3
Bond discount	75,529
Convention & Visitors Fund	
Culture & Recreation – Other Charges	1,606
Capital Outlay – Equipment	4,157
Recycling Fee Fund	
General Government - Commodities	130
Northeast TIF Project Fund	
Debt Service – Principal	35,071
Debt Management Fund	
Debt Service – Principal	9,145,000
Debt Service – Interest	15,101
Capital Equipment Fund	
Debt Service – Interest	364
Oak Ridge Cemetery Fund	
Other postemployment benefits	252,580
Sewer Fund	
Telecommunications	88
Other postemployment benefits	801,496
Motor Vehicle Parking Fund	
Other postemployment benefits	153,777
Commodities	193
Support Services Revolving Fund	
Equipment	23,408
Self Insurance Fund	
Personal services	1,293,022

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

GENERAL FUND

The City's General Fund consists of the following sub-funds:

The General (Corporate) Fund accounts for all of the general revenue of the City which is not specifically levied or collected for other City funds, and for expenditures related to public works, public safety and other general governmental activities of the City.

The Lincoln Library Fund accounts for property taxes and fees to finance the City's public library and expenditures related to the operation of the library.

CITY OF SPRINGFIELD, ILLINOIS
GENERAL FUND
COMBINING BALANCE SHEET - BY SUBFUND

February 29, 2016

	General Fund	Library Fund	Combining General Fund
Assets:			
Cash and cash equivalents	\$ 896,261	\$ 1,356	\$ 897,617
Restricted cash & cash equivalents	-	1,218,015	1,218,015
Local taxes receivable	39,234,460	-	39,234,460
Grant receivable	54,854	-	54,854
Other receivables	420,557	-	420,557
Due from fiduciary funds	436,696	-	436,696
Interfund receivables	6,620,402	-	6,620,402
Total assets	<u>47,663,230</u>	<u>1,219,371</u>	<u>48,882,601</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	1,968,433	34,817	2,003,250
Other payables	282,394	70,583	352,977
Accrued payroll	1,304,703	77,759	1,382,462
Interfund payable	1,731,971	31,972	1,763,943
Total liabilities	<u>5,287,501</u>	<u>215,131</u>	<u>5,502,632</u>
Deferred inflows of resources:			
Unavailable property taxes	21,533,802	-	21,533,802
Unavailable revenues	145,285	-	145,285
Total deferred inflows of resources	<u>21,679,087</u>	<u>-</u>	<u>21,679,087</u>
Total liabilities and deferred inflows of resources	<u>26,966,588</u>	<u>215,131</u>	<u>27,181,719</u>
Fund Balance:			
Committed	144,667	-	144,667
Assigned	-	1,004,240	1,004,240
Unassigned	20,551,975	-	20,551,975
Total fund balance	<u>20,696,642</u>	<u>1,004,240</u>	<u>21,700,882</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 47,663,230</u>	<u>\$ 1,219,371</u>	<u>\$ 48,882,601</u>

See accompanying Independent Auditor's Report.

CITY OF SPRINGFIELD, ILLINOIS

GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BY SUBFUND

Year Ended February 29, 2016

	General Fund	Library Fund	Eliminations	Combining General Fund
Revenues:				
Taxes:				
Property tax	\$ 21,268,745	\$ -	\$ -	\$ 21,268,745
State Sales tax	28,419,785	-	-	28,419,785
City Sales tax	27,920,128	-	-	27,920,128
Use tax	4,728,068	-	-	4,728,068
Miscellaneous	3,467,913	-	-	3,467,913
Fees for services	2,680,588	76,701	-	2,757,289
Investment income	29,779	-	-	29,779
Intergovernmental	15,358,801	681,871	-	16,040,672
Intragovernmental	518,449	-	-	518,449
Licenses and permits	1,266,006	-	-	1,266,006
Fines and citations	1,196,845	-	-	1,196,845
Franchise fees	2,215,420	-	-	2,215,420
Miscellaneous	505,809	317	-	506,126
Total revenues	<u>109,576,336</u>	<u>758,889</u>	<u>-</u>	<u>110,335,225</u>
Expenditures:				
Current:				
General government	11,302,929	-	-	11,302,929
Public health and safety	82,231,485	-	-	82,231,485
Culture and recreation	-	4,044,076	-	4,044,076
Highway and streets	12,432,822	-	-	12,432,822
Economic development	448,524	-	-	448,524
Capital outlay	1,604,731	375,919	-	1,980,650
Debt service	-	-	-	-
Total expenditures	<u>108,020,491</u>	<u>4,419,995</u>	<u>-</u>	<u>112,440,486</u>
Excess (deficiency) of revenues over expenditures	<u>1,555,845</u>	<u>(3,661,106)</u>	<u>-</u>	<u>(2,105,261)</u>
Other financing sources (uses):				
Capital lease issuance	446,900	-	-	446,900
Transfers in	8,512,317	3,366,115	(3,366,115)	8,512,317
Transfers out	(7,467,038)	(34,561)	3,366,115	(4,135,484)
Total other financing sources (uses)	<u>1,492,179</u>	<u>3,331,554</u>	<u>-</u>	<u>4,823,733</u>
Net change in fund balance	<u>3,048,024</u>	<u>(329,552)</u>	<u>-</u>	<u>2,718,472</u>
Fund balances at beginning of year	<u>17,648,618</u>	<u>1,333,792</u>	<u>-</u>	<u>18,982,410</u>
Fund balances at end of year	<u>\$ 20,696,642</u>	<u>\$ 1,004,240</u>	<u>\$ -</u>	<u>\$ 21,700,882</u>

See accompanying Independent Auditor's Report.

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - LINCOLN LIBRARY FUND
 GENERAL FUND SUB-FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Fees for services	\$ 81,000	\$ 81,000	\$ 76,701	\$ 4,299
Intergovernmental:				
Replacement tax	546,000	546,000	536,558	9,442
Grants	125,000	125,000	145,313	(20,313)
Total intergovernmental	<u>671,000</u>	<u>671,000</u>	<u>681,871</u>	<u>(10,871)</u>
Miscellaneous, other	550	550	317	233
Total revenues	<u>752,550</u>	<u>752,550</u>	<u>758,889</u>	<u>(6,339)</u>
Expenditures:				
Culture and recreation:				
Personal services and fringe benefits	3,215,665	3,215,665	3,199,021	16,644
Contractual services	865,100	886,100	809,332	76,768
Commodities	44,800	44,800	30,678	14,122
Other charges	7,000	7,000	5,045	1,955
Total culture and recreation	<u>4,132,565</u>	<u>4,153,565</u>	<u>4,044,076</u>	<u>109,489</u>
Capital outlay:				
Equipment	380,000	359,000	331,070	27,930
EDP equipment	49,075	49,075	40,647	8,428
Telecommunications	9,000	9,000	4,202	4,798
Total capital outlay	<u>438,075</u>	<u>417,075</u>	<u>375,919</u>	<u>41,156</u>
Total expenditures	<u>4,570,640</u>	<u>4,570,640</u>	<u>4,419,995</u>	<u>150,645</u>
Deficiency of revenues over expenditures	<u>(3,818,090)</u>	<u>(3,818,090)</u>	<u>(3,661,106)</u>	<u>156,984</u>
Other financing sources (uses):				
Transfers in	3,366,115	3,366,115	3,366,115	-
Transfers out	(34,561)	(34,561)	(34,561)	-
Total other financing sources (uses)	<u>3,331,554</u>	<u>3,331,554</u>	<u>3,331,554</u>	<u>-</u>
Net change in fund balance	<u>\$ (486,536)</u>	<u>\$ (486,536)</u>	(329,552)	<u>\$ 156,984</u>
Fund balance, beginning of year			1,333,792	
Fund balance, end of year			<u>\$ 1,004,240</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL IMPROVEMENTS FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Taxes:				
City sales tax	\$ 13,809,213	\$ 13,809,213	\$ 13,960,064	\$ (150,851)
Hotel tax	1,097,000	1,097,000	1,203,769	(106,769)
Video gaming tax	1,010,000	1,010,000	1,397,151	(387,151)
Fees for services	182,250	182,250	224,425	(42,175)
Misc, other	-	-	10,888	(10,888)
Total revenues	<u>16,098,463</u>	<u>16,098,463</u>	<u>16,796,297</u>	<u>(697,834)</u>
Expenditures:				
Highway and streets:				
Personal services & fringe benefits	245,211	245,211	245,841	(630)
Contractual services	29,238,000	28,738,000	26,733,402	2,004,598
Debt Service				
Principal	171,687	171,687	171,690	(3)
Interest	2,235,105	2,235,105	2,194,096	41,009
Total highway and streets	<u>31,890,003</u>	<u>31,390,003</u>	<u>29,345,029</u>	<u>2,044,974</u>
Capital outlay, improvements	<u>753,870</u>	<u>1,364,270</u>	<u>587,257</u>	<u>777,013</u>
Total expenditures	<u>32,643,873</u>	<u>32,754,273</u>	<u>29,932,286</u>	<u>2,821,987</u>
Excess of revenues over expenditures	<u>(16,545,410)</u>	<u>(16,655,810)</u>	<u>(13,135,989)</u>	<u>3,519,821</u>
Other financing sources (uses):				
Issuance of long-term debt	-	-	29,125,000	29,125,000
Bond premium	-	-	3,086,985	3,086,985
Bond discount	-	-	(75,529)	(75,529)
Transfers in	1,964,892	1,964,892	1,964,892	-
Transfers out	(1,550,307)	(1,550,307)	(1,461,221)	89,086
Total other financing sources (uses)	<u>414,585</u>	<u>414,585</u>	<u>32,640,127</u>	<u>32,225,542</u>
Net change in fund balance	<u>\$ (16,130,825)</u>	<u>\$ (16,241,225)</u>	19,504,138	<u>\$ 35,745,363</u>
Fund balance, beginning of year			52,156,830	
Fund balance, end of year			<u>\$ 71,660,968</u>	

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for revenue from specific taxes or other earmarked revenue sources which, by statute, charter provision, or local ordinance, are restricted to finance particular functions or activities of the government. The City's special revenue funds are as follows:

The Convention and Visitors Fund accounts for Hotel-Motel Tax and expenditures for the promotion of tourism and conventions in Springfield.

The Illinois Municipal Retirement Fund (IMRF) Fund accounts for the City's IMRF contributions and is custodial in nature.

The Motor Fuel Tax Fund accounts for the City's Motor Fuel Tax allotment from the state and expenditures for street improvements and operating transfers for the retirement of special assessment bonds.

The Community Development Block Grant Fund accounts for entitlement revenue from the U.S. Department of Housing and Urban Development (HUD) and designated expenditures in the areas of Housing and Neighborhood Revitalization; Public Facilities Improvement; and Economic Development and Public Services for the City.

The Community Development Block Grant Home Program Fund accounts for entitlement revenue from the U.S. Department of Housing and Urban Development (HUD) and expenditures in the areas of Housing and Neighborhood Revitalization.

The Special Allocation Project Account Fund (Downtown TIF) is a special revenue fund which accounts for revenues including property taxes, and loan payments received and expenditures made for downtown TIF eligible projects.

The Park Towers Fund accounts for payments received from the U.S. Department of Housing and Urban Development (HUD) to assist low income residents of Park Towers with their rent and the disbursements of these monies to Park Towers' management.

The State Drug Profit Forfeiture Fund accounts for State revenues received from the sale of seized assets in narcotic arrests and expenditures related to police activities.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds – Continued

The Police Evidence Fund accounts for monies collected as evidence in legal cases and is custodial in nature.

The DCEO Grant Fund accounts for grant revenue received from the Illinois Department of Commerce and Economic Opportunity (DCEO) and grant reimbursable expenditures.

The Federal Drug Profit Forfeiture Fund accounts for revenues received from the sale of seized assets in narcotic arrests and expenditures related to police activities.

The Police Law Enforcement Block Grant Fund accounts for revenue received from the U.S. Department of Justice and designated expenditures within the areas of crime reduction and public safety.

Madison Park Place TIF Project Fund accounts for revenues, including property taxes, and for loan payments received and eligible TIF project expenditures.

The Local Foreign Fire Insurance Fund accounts for transfers received from the General Fund and expenditures for the Fire Department. This fund is in the custody of the Foreign Fire Insurance Board.

The Police Laboratory Fund accounts for revenues received from the court systems for marijuana drug testing completed by certified Springfield police detectives.

The Illinois Housing Development Authority Grant Fund accounts for revenue from the State of Illinois and designated expenditures in the areas of Housing and Neighborhood Revitalization.

Enos Park TIF Project fund accounts for revenues, including property taxes, and loan payments received and eligible TIF project expenditures.

The Recycling Fee Fund accounts for the recycling fee committed by City Council for designated expenditures in recycling and waste management.

Northeast TIF Project Fund accounts for revenues, including property taxes, and loan payments received and eligible TIF project expenditures.

Jefferson Crossing TIF Project Fund accounts for revenues, including property taxes, and eligible TIF project expenditures.

MacArthur TIF Fund accounts for revenues, including property taxes, and loan payments received and eligible TIF project expenditures.

Dirksen Parkway Commercial Redevelopment Fund accounts for revenues, including property taxes, and loan payments received and eligible TIF project expenditures.

NONMAJOR GOVERNMENTAL FUNDS

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of principal and interest on general obligation debt, serial and term, other than revenue debt issued for and serviced by a governmental enterprise. The City's debt service funds are as follows:

The Special Assessments Fund accounts for monies, including special assessment receivables, used to retire special assessment bonds payable.

The Debt Management Fund is a debt service fund that accounts for monies available to retire various debt issues.

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds. The City's capital project funds are as follows:

The 1996 Capital Improvement Fund (also included bond proceeds for Wanless' Iles Junction Special Service Area) accounts for the Issuance of the Series 1996C General Obligation Bonds and expenditures related to the Stanford Avenue, Eleventh Street and Koke Mill Road construction projects. This fund also accounts for the revenues and expenditures related to the Wanless' Iles Junction Special Service Area.

The TIF South Grand Pointe Project Fund accounts for the bond issuance of the Series 1995 Tax Incremental Revenue Bonds and expenditures related to the South Grand Pointe Project.

The South Central Business Fund accounts for revenues from City sales tax and eligible expenditures in the District.

The Capital Equipment Fund accounts for the committed revenues and expenditures for the purchase of capital equipment other than equipment financed by proprietary and trust funds.

CITY OF SPRINGFIELD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

February 29, 2016

	Special Revenue Funds			
	Convention & Visitors Fund	Illinois Municipal Retirement Fund	Motor Fuel Tax Fund	Community Development Block Grant Fund
Assets				
Cash and cash equivalents	\$ 1,554,036	\$ -	\$ -	\$ 85
Local taxes receivable	135,753	-	255,393	-
Notes receivable	-	-	-	157,868
Grants receivable	402,610	-	5,178,446	63,791
Other receivables	-	-	876	-
Due from fiduciary funds	172	-	-	-
Interfund receivables	-	824,594	3,904,872	126,035
Other assets	-	-	-	-
Restricted cash and cash equivalents	-	228,203	7,824,603	50,663
Total assets	<u>\$ 2,092,571</u>	<u>\$ 1,052,797</u>	<u>\$ 17,164,190</u>	<u>\$ 398,442</u>
Liabilities , deferred inflows of resources and fund balances				
Liabilities:				
Accounts payable	\$ 93,241	\$ -	\$ 4,903,550	\$ 60,500
Accrued payroll	18,227	1,188,985	-	6,430
Interfund payable	17,333	-	525,116	737
Total liabilities	<u>128,801</u>	<u>1,188,985</u>	<u>5,428,666</u>	<u>67,667</u>
Deferred inflows of resources:				
Unavailable property taxes	-	-	-	-
Unavailable revenues	28,531	-	2,780,229	193,581
Total deferred inflows of resources	<u>28,531</u>	<u>-</u>	<u>2,780,229</u>	<u>193,581</u>
Total liabilities and deferred inflows of resources	<u>157,332</u>	<u>1,188,985</u>	<u>8,208,895</u>	<u>261,248</u>
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted:				
Economic development	-	-	-	137,194
Capital projects	-	-	-	-
Highways and streets	-	-	8,955,295	-
Public safety	-	-	-	-
Debt service	-	-	-	-
Unrestricted				
Committed	1,935,239	-	-	-
Unassigned (deficit)	-	(136,188)	-	-
Total fund balances (deficit)	<u>1,935,239</u>	<u>(136,188)</u>	<u>8,955,295</u>	<u>137,194</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,092,571</u>	<u>\$ 1,052,797</u>	<u>\$ 17,164,190</u>	<u>\$ 398,442</u>

Special Revenue Funds						
Community Development Block Grant Home Program Fund	Special Allocation Project Account Fund (Downtown TIF)	Park Towers Fund	State Drug Profit Forfeiture Fund	Police Evidence Fund	DCEO Grant Fund	Federal Drug Profit Forfeiture Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	3,850,000	-	-	-	-	-
-	2,489,359	-	-	-	-	-
110,035	-	-	-	-	-	66,272
-	-	-	34	52	37	53
-	274	-	-	-	-	-
-	-	-	-	-	-	9,800
-	-	-	-	-	-	-
-	2,679,661	-	165,000	336,732	196,165	271,515
<u>\$ 110,035</u>	<u>\$ 9,019,294</u>	<u>\$ -</u>	<u>\$ 165,034</u>	<u>\$ 336,784</u>	<u>\$ 196,202</u>	<u>\$ 347,640</u>
\$ 110,035	\$ 260,468	\$ -	\$ 5,685	\$ 454	\$ -	\$ 30,545
-	6,034	-	-	-	-	-
-	343	-	3,214	-	-	-
<u>110,035</u>	<u>266,845</u>	<u>-</u>	<u>8,899</u>	<u>454</u>	<u>-</u>	<u>30,545</u>
-	3,850,000	-	-	-	-	-
-	2,489,089	-	-	-	-	66,272
-	6,339,089	-	-	-	-	66,272
<u>110,035</u>	<u>6,605,934</u>	<u>-</u>	<u>8,899</u>	<u>454</u>	<u>-</u>	<u>96,817</u>
-	-	-	-	-	-	-
-	2,413,360	-	-	-	196,202	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	156,135	336,330	-	250,823
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>2,413,360</u>	<u>-</u>	<u>156,135</u>	<u>336,330</u>	<u>196,202</u>	<u>250,823</u>
<u>\$ 110,035</u>	<u>\$ 9,019,294</u>	<u>\$ -</u>	<u>\$ 165,034</u>	<u>\$ 336,784</u>	<u>\$ 196,202</u>	<u>\$ 347,640</u>

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

February 29, 2016

	Special Revenue Funds			
	Police Law Enforcement Block Grant Fund	Madison Park Place TIF Project Fund	Local Foreign Fire Insurance Fund	Police Laboratory Fund
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Local taxes receivable	-	250,000	-	-
Notes receivable	-	-	-	-
Grant receivables	-	-	-	-
Other receivables	52	233	-	9
Due from fiduciary funds	-	-	-	-
Interfund receivables	-	-	-	-
Other assets	-	-	4,031	-
Restricted cash and cash equivalents	276,672	1,229,217	225,157	45,272
Total assets	\$ 276,724	\$ 1,479,450	\$ 229,188	\$ 45,281
Liabilities , deferred inflows of resources and fund balances				
Liabilities:				
Accounts payable	\$ 275,181	\$ -	\$ 3,691	\$ -
Accrued payroll	-	-	-	-
Interfund payable	-	-	-	-
Total liabilities	275,181	-	3,691	-
Deferred inflows of resources:				
Unavailable property taxes	-	250,000	-	-
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	-	250,000	-	-
Total liabilities and deferred inflows of resources	275,181	250,000	3,691	-
Fund balances (deficit):				
Nonspendable	-	-	4,031	-
Restricted:				
Economic development	-	1,229,450	-	-
Capital projects	-	-	-	-
Highways and streets	-	-	-	-
Public safety	1,543	-	221,466	45,281
Debt service	-	-	-	-
Unrestricted				
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	1,543	1,229,450	225,497	45,281
Total liabilities, deferred inflows of resources and fund balances	\$ 276,724	\$ 1,479,450	\$ 229,188	\$ 45,281

Exhibit 10
Continued

Special Revenue Funds						
Illinois Housing Development Authority Grant Fund	Enos Park TIF Project Fund	Recycling Fee Fund	Northeast TIF Project Fund	Jefferson Crossing TIF Project Fund	MacArthur TIF Fund	Dirksen Parkway Commercial Redevelopment Fund
\$ -	\$ -	\$ 310,693	\$ -	\$ -	\$ -	\$ -
-	479,000	-	450,000	10,760	20,000	80,000
-	48,216	-	-	-	-	-
-	-	-	-	-	-	-
-	100	-	-	-	3	13
-	-	-	-	-	-	-
-	-	60,345	-	-	-	-
-	-	-	-	-	-	-
32,659	529,220	-	26	4,242	16,328	68,017
<u>\$ 32,659</u>	<u>\$ 1,056,536</u>	<u>\$ 371,038</u>	<u>\$ 450,026</u>	<u>\$ 15,002</u>	<u>\$ 36,331</u>	<u>\$ 148,030</u>
\$ -	\$ 675	\$ 12,032	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	126,035	-	-	-	-	-
-	126,710	12,032	-	-	-	-
-	479,000	-	450,000	10,760	20,000	80,000
-	48,854	-	-	-	-	-
-	527,854	-	450,000	10,760	20,000	80,000
-	654,564	12,032	450,000	10,760	20,000	80,000
-	-	-	-	-	-	-
32,659	401,972	-	26	4,242	16,331	68,030
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	359,006	-	-	-	-
-	-	-	-	-	-	-
<u>32,659</u>	<u>401,972</u>	<u>359,006</u>	<u>26</u>	<u>4,242</u>	<u>16,331</u>	<u>68,030</u>
<u>\$ 32,659</u>	<u>\$ 1,056,536</u>	<u>\$ 371,038</u>	<u>\$ 450,026</u>	<u>\$ 15,002</u>	<u>\$ 36,331</u>	<u>\$ 148,030</u>

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

February 29, 2016

	Debt Service Funds	
	Special Assessments Fund	Debt Management Fund
Assets		
Cash and cash equivalents	\$ 103,931	\$ -
Local taxes receivable	55,895	-
Notes receivable	-	-
Grants receivable	-	-
Other receivables	20	-
Due from fiduciary funds	-	-
Interfund receivables	-	-
Other assets	-	-
Restricted cash and cash equivalents	15	-
Total assets	\$ 159,861	\$ -
Liabilities , deferred inflows of resources and fund balances		
Liabilities:		
Accounts payable	\$ -	\$ -
Accrued payroll	-	-
Interfund payable	-	-
Total liabilities	-	-
Deferred inflows of resources:		
Unavailable property taxes	55,895	-
Unavailable revenues	-	-
Total deferred inflows of resources	55,895	-
Total liabilities and deferred inflows of resources	55,895	-
Fund balances (deficit):		
Nonspendable	-	-
Restricted:		
Economic development	-	-
Capital projects	-	-
Highways and streets	-	-
Public safety	-	-
Debt service	103,966	-
Unrestricted		
Committed	-	-
Unassigned (deficit)	-	-
Total fund balances (deficit)	103,966	-
Total liabilities, deferred inflows of resources and fund balances	\$ 159,861	\$ -

Exhibit 10
Continued

Capital Projects Fund				
1996 Capital Improvement Fund (Wanless Iles Junction SSA)	TIF South Grand Pointe Project Fund	South Central Business District	Capital Equipment Fund	Total Non Major Governmental Funds
\$ -	\$ -	\$ -	\$ 124,967	\$ 2,093,712
-	505,000	928,842	-	7,020,643
-	-	-	-	2,695,443
229,975	-	-	-	6,051,129
195	145	1	-	1,823
-	-	-	-	446
-	-	-	-	4,925,646
-	-	-	-	4,031
1,016,834	763,230	2,151,597	46,581	18,157,609
<u>\$ 1,247,004</u>	<u>\$ 1,268,375</u>	<u>\$ 3,080,440</u>	<u>\$ 171,548</u>	<u>40,950,482</u>
\$ 40,041	\$ -	\$ -	\$ -	5,796,098
-	-	-	-	1,219,676
-	-	2,904,872	-	3,577,650
<u>40,041</u>	<u>-</u>	<u>2,904,872</u>	<u>-</u>	<u>10,593,424</u>
-	505,000	819,937	-	6,520,592
229,975	-	-	-	5,836,531
<u>229,975</u>	<u>505,000</u>	<u>819,937</u>	<u>-</u>	<u>12,357,123</u>
<u>270,016</u>	<u>505,000</u>	<u>3,724,809</u>	<u>-</u>	<u>22,950,547</u>
-	-	-	-	4,031
-	-	-	-	4,499,466
976,988	763,375	14,600	46,581	1,801,544
-	-	-	-	8,955,295
-	-	-	-	1,011,578
-	-	2,245,884	-	2,349,850
-	-	-	124,967	2,419,212
-	-	(2,904,853)	-	(3,041,041)
<u>976,988</u>	<u>763,375</u>	<u>(644,369)</u>	<u>171,548</u>	<u>17,999,935</u>
<u>\$ 1,247,004</u>	<u>\$ 1,268,375</u>	<u>\$ 3,080,440</u>	<u>\$ 171,548</u>	<u>\$ 40,950,482</u>
(Concluded)				

CITY OF SPRINGFIELD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended February 29, 2016

	Special Revenue Funds			
	Convention & Visitors Fund	Illinois Municipal Retirement Fund	Motor Fuel Tax Fund	Community Development Block Grant Fund
Revenues:				
Taxes:				
Property tax	\$ -	\$ -	\$ -	\$ -
City sales tax	-	-	-	-
Motor fuel tax	-	-	2,866,844	-
Hotel/motel taxes	1,805,654	-	-	-
Fees for services	-	-	-	-
Investment income	966	-	5,716	4,068
Intergovernmental	786,655	-	13,254,017	946,181
Miscellaneous	3,158	(7,954)	92,012	17,590
Total revenues	<u>2,596,433</u>	<u>(7,954)</u>	<u>16,218,589</u>	<u>967,839</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public health and safety	-	-	-	-
Culture and recreation	2,077,868	-	-	-
Highway and streets	-	-	13,421,604	-
Economic development	-	-	-	981,894
Capital outlay	58,361	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>2,136,229</u>	<u>-</u>	<u>13,421,604</u>	<u>981,894</u>
Excess (deficiency) of revenues over expenditures	<u>460,204</u>	<u>(7,954)</u>	<u>2,796,985</u>	<u>(14,055)</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(16,757)	-	-	-
Issuance of long-term debt	-	-	-	-
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Total other financing sources (uses)	<u>(16,757)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>443,447</u>	<u>(7,954)</u>	<u>2,796,985</u>	<u>(14,055)</u>
Fund balances (deficit), beginning of year	1,491,792	(128,234)	6,158,310	151,249
Fund balances (deficit), end of year	<u>\$ 1,935,239</u>	<u>\$ (136,188)</u>	<u>\$ 8,955,295</u>	<u>\$ 137,194</u>

Special Revenue Funds						
Community Development Block Grant Home Program Fund	Special Allocation Project Account Fund (Downtown TIF)	Park Towers Fund	State Drug Profit Forfeiture Fund	Police Evidence Fund	DCEO Grant Fund	Federal Drug Profit Forfeiture Fund
\$ -	\$ 3,916,608	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	24,465	23	144	230	143	218
414,785	-	-	-	-	-	-
-	98,649	-	48,914	75,627	-	25,844
414,785	4,039,722	23	49,058	75,857	143	26,062
-	-	-	-	-	-	-
-	-	-	99,710	59,276	-	17,556
-	-	-	-	-	-	-
-	-	-	-	-	-	-
414,785	2,121,041	-	-	-	-	-
-	1,493	-	27,808	-	-	64,559
-	-	-	-	-	-	-
-	-	-	-	-	-	-
414,785	2,122,534	-	127,518	59,276	-	82,115
-	1,917,188	23	(78,460)	16,581	143	(56,053)
-	-	-	-	-	-	-
-	-	(38,273)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(38,273)	-	-	-	-
-	1,917,188	(38,250)	(78,460)	16,581	143	(56,053)
-	496,172	38,250	234,595	319,749	196,059	306,876
\$ -	\$ 2,413,360	\$ -	\$ 156,135	\$ 336,330	\$ 196,202	\$ 250,823

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended February 29, 2016

	Special Revenue Funds			
	Police Law Enforcement Block Grant Fund	Madison Park Place TIF Project Fund	Local Foreign Fire Insurance Fund	Police Laboratory Fund
Revenues:				
Taxes:				
Property tax	\$ -	\$ 248,531	\$ -	\$ -
City sales tax	-	-	-	-
Motor fuel tax	-	-	-	-
Hotel/motel taxes	-	-	-	-
Fees for services	-	-	-	5,087
Investment income	34	863	147	33
Intergovernmental	2,146	-	-	-
Miscellaneous	-	-	227,036	-
Total revenues	<u>2,180</u>	<u>249,394</u>	<u>227,183</u>	<u>5,120</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public health and safety	31,259	-	234,186	1,573
Culture and recreation	-	-	-	-
Highway and streets	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>31,259</u>	<u>-</u>	<u>234,186</u>	<u>1,573</u>
Excess (deficiency) of revenues over expenditures	<u>(29,079)</u>	<u>249,394</u>	<u>(7,003)</u>	<u>3,547</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Issuance of long-term debt	-	-	-	-
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(29,079)</u>	<u>249,394</u>	<u>(7,003)</u>	<u>3,547</u>
Fund balances (deficit), beginning of year	30,622	980,056	232,500	41,734
Fund balances (deficit), end of year	<u>\$ 1,543</u>	<u>\$ 1,229,450</u>	<u>\$ 225,497</u>	<u>\$ 45,281</u>

Exhibit 11
Continued

Special Revenue Funds						
Illinois Housing Development Authority Grant Fund	Enos Park TIF Project Fund	Recycling Fee Fund	Northeast TIF Project Fund	Jefferson Crossing TIF Project Fund	MacArthur TIF Fund	Dirksen Parkway Commercial Redevelopment Fund
\$ -	\$ 482,095	\$ -	\$ 436,287	\$ 361	\$ 8,708	\$ 71,977
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	641,059	-	-	-	-
-	3,350	-	74	3	11	49
-	-	-	-	-	-	-
-	19,006	100	-	-	-	-
-	504,451	641,159	436,361	364	8,719	72,026
-	-	636,719	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	418,991	-	188,387	-	-	39,460
-	-	-	-	-	-	-
-	-	-	229,748	-	-	-
-	-	-	18,252	-	-	-
-	418,991	636,719	436,387	-	-	39,460
-	85,460	4,440	(26)	364	8,719	32,566
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	85,460	4,440	(26)	364	8,719	32,566
32,659	316,512	354,566	52	3,878	7,612	35,464
\$ 32,659	\$ 401,972	\$ 359,006	\$ 26	\$ 4,242	\$ 16,331	\$ 68,030

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended February 29, 2016

	Debt Service Funds	
	Special Assessments Fund	Debt Management Fund
Revenues:		
Taxes:		
Property tax	\$ 55,895	\$ -
City sales tax	-	-
Motor fuel tax	-	-
Hotel/motel taxes	-	-
Fees for services	-	-
Investment income	84	15
Intergovernmental	-	-
Miscellaneous	-	-
Total revenues	<u>55,979</u>	<u>15</u>
Expenditures:		
Current:		
General government	-	-
Public health and safety	-	-
Culture and recreation	-	-
Highway and streets	-	-
Economic development	-	-
Capital outlay	-	-
Debt service		
Principal	39,434	11,485,000
Interest	16,461	487,405
Total expenditures	<u>55,895</u>	<u>11,972,405</u>
Excess (deficiency) of revenues over expenditures	<u>84</u>	<u>(11,972,390)</u>
Other financing sources (uses):		
Transfers in	-	2,476,316
Transfers out	-	-
Issuance of long-term debt	-	8,525,000
Bond premium	-	764,871
Bond discount	-	(40,701)
Total other financing sources (uses)	<u>-</u>	<u>11,725,486</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>84</u>	<u>(246,904)</u>
Fund balances (deficit), beginning of year	103,882	246,904
Fund balances (deficit), end of year	<u>\$ 103,966</u>	<u>\$ -</u>

Exhibit 11
Continued

Capital Projects Funds				
1996 Capital Improvement Fund (Wanless Iles Junction SSA)	TIF South Grand Pointe Project Fund	South Central Business District	Capital Equipment Fund	Total Non Major Governmental Funds
\$ -	\$ 527,013	\$ 841,471	\$ -	\$ 6,588,946
-	-	372,963	-	372,963
-	-	-	-	2,866,844
-	-	-	-	1,805,654
-	-	-	-	646,146
739	519	125	-	42,019
1,503,776	-	-	-	16,907,560
-	-	-	-	599,982
1,504,515	527,532	1,214,559	-	29,830,114
-	-	-	-	636,719
-	-	-	-	443,560
-	-	-	-	2,077,868
-	-	-	-	13,421,604
-	132,024	-	-	4,296,582
2,096,616	-	2,904,872	2,720,520	7,874,229
-	-	-	1,074,711	12,828,893
-	-	1,298,763	75,518	1,896,399
2,096,616	132,024	4,203,635	3,870,749	43,475,854
(592,101)	395,508	(2,989,076)	(3,870,749)	(13,645,740)
-	-	-	1,512,956	3,989,272
-	-	-	-	(55,030)
-	-	140,238	-	8,665,238
-	-	-	-	764,871
-	-	-	-	(40,701)
-	-	140,238	1,512,956	13,323,650
(592,101)	395,508	(2,848,838)	(2,357,793)	(322,090)
1,569,089	367,867	2,204,469	2,529,341	18,322,025
\$ 976,988	\$ 763,375	\$ (644,369)	\$ 171,548	\$ 17,999,935
(Concluded)				

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CONVENTION AND VISITORS FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Taxes, hotel/motel taxes	\$ 1,675,000	\$ 1,675,000	\$ 1,805,654	\$ (130,654)
Intergovernmental, grants	668,893	668,893	786,655	(117,762)
Investment income	-	-	966	(966)
Miscellaneous, other	3,000	3,000	3,158	(158)
Total revenues	<u>2,346,893</u>	<u>2,346,893</u>	<u>2,596,433</u>	<u>(249,540)</u>
Expenditures:				
Culture and recreation:				
Personal services and fringe benefits	1,312,648	1,312,648	1,128,873	183,775
Contractual services	954,702	928,102	803,866	124,236
Commodities	112,210	112,210	102,933	9,277
Other charges	40,590	40,590	42,196	(1,606)
Total culture and recreation	<u>2,420,150</u>	<u>2,393,550</u>	<u>2,077,868</u>	<u>315,682</u>
Capital outlay:				
Equipment	1,000	4,600	8,757	(4,157)
EDP equipment	23,900	46,900	44,014	2,886
Telecommunications	7,060	7,060	5,590	1,470
Total capital outlay	<u>31,960</u>	<u>58,560</u>	<u>58,361</u>	<u>199</u>
Total expenditures	<u>2,452,110</u>	<u>2,452,110</u>	<u>2,136,229</u>	<u>315,881</u>
Excess (deficiency) of revenues over expenditures	<u>(105,217)</u>	<u>(105,217)</u>	<u>460,204</u>	<u>(565,421)</u>
Other financing sources (uses):				
Transfers out	(16,757)	(16,757)	(16,757)	-
Total other financing sources (uses)	<u>(16,757)</u>	<u>(16,757)</u>	<u>(16,757)</u>	<u>-</u>
Net change in fund balance	<u>\$ (121,974)</u>	<u>\$ (121,974)</u>	<u>443,447</u>	<u>\$ (565,421)</u>
Fund balance, beginning of year			<u>1,491,792</u>	
Fund balance, end of year			<u>\$ 1,935,239</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - MOTOR FUEL TAX FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Taxes, motor fuel tax	\$ 2,750,000	\$ 2,750,000	\$ 2,866,844	\$ (116,844)
Investment income	-	-	5,716	(5,716)
Intergovernmental reimbursements	10,395,700	10,395,700	13,254,017	(2,858,317)
Miscellaneous, other	20,000	20,000	92,012	(72,012)
Total revenues	<u>13,165,700</u>	<u>13,165,700</u>	<u>16,218,589</u>	<u>(3,052,889)</u>
Expenditures:				
Highways and streets:				
Contractual services	2,000,000	2,000,000	972,696	1,027,304
Commodities	2,025,000	2,025,000	891,770	1,133,230
Improvements	17,000,000	17,000,000	11,557,138	5,442,862
Total highway and streets	<u>21,025,000</u>	<u>21,025,000</u>	<u>13,421,604</u>	<u>7,603,396</u>
Total expenditures	<u>21,025,000</u>	<u>21,025,000</u>	<u>13,421,604</u>	<u>7,603,396</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (7,859,300)</u>	<u>\$ (7,859,300)</u>	2,796,985	<u>\$ (10,656,285)</u>
Fund balance, beginning of year			6,158,310	
Fund balance, end of year			<u>\$ 8,955,295</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Intergovernmental, grants	\$ 2,139,000	\$ 2,139,000	\$ 946,181	\$ 1,192,819
Investment income	4,000	4,000	4,068	(68)
Miscellaneous, other	45,000	45,000	17,590	27,410
Total revenues	<u>2,188,000</u>	<u>2,188,000</u>	<u>967,839</u>	<u>1,220,161</u>
Expenditures:				
Economic development:				
Personal services	371,617	385,617	385,548	69
Contractual services	41,950	29,550	26,453	3,097
Commodities	500	500	90	410
Other charges	1,755,000	1,755,000	569,803	1,185,197
Total economic development	<u>2,169,067</u>	<u>2,170,667</u>	<u>981,894</u>	<u>1,188,773</u>
Capital outlay:				
Equipment	300	-	-	-
EDP equipment	1,750	550	-	550
Telecommunications	500	400	-	400
Total capital outlay	<u>2,550</u>	<u>950</u>	<u>-</u>	<u>950</u>
Total expenditures	<u>2,171,617</u>	<u>2,171,617</u>	<u>981,894</u>	<u>1,189,723</u>
Excess (deficiency) of revenues over expenditures	<u>16,383</u>	<u>16,383</u>	<u>(14,055)</u>	<u>30,438</u>
Net change in fund balance	<u>\$ 16,383</u>	<u>\$ 16,383</u>	<u>(14,055)</u>	<u>\$ 30,438</u>
Fund balance, beginning of year			151,249	
Fund balance, end of year			<u>\$ 137,194</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT HOME PROGRAM FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Intergovernmental grants	\$ 1,200,000	\$ 1,200,000	\$ 414,785	\$ 785,215
Total revenues	<u>1,200,000</u>	<u>1,200,000</u>	<u>414,785</u>	<u>785,215</u>
Expenditures:				
Economic development				
Other charges	1,100,000	1,100,000	414,785	685,215
Total expenditures	<u>1,100,000</u>	<u>1,100,000</u>	<u>414,785</u>	<u>685,215</u>
Excess of revenues over expenditures	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Net change in fund balance	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>-</u>	<u>\$ 100,000</u>
Fund balance, beginning of year			-	
Fund balance, end of year			<u>\$ -</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - SPECIAL ALLOCATION PROJECT ACCOUNT FUND (DOWNTOWN TIF)

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Taxes, property taxes	\$ 4,020,000	\$ 4,020,000	\$ 3,916,608	\$ 103,392
Investment income	25,000	25,000	24,465	535
Miscellaneous, other	105,000	105,000	98,649	6,351
Total revenues	<u>4,150,000</u>	<u>4,150,000</u>	<u>4,039,722</u>	<u>110,278</u>
Expenditures:				
Economic development:				
Personal services and fringe benefits	393,136	393,136	369,003	24,133
Contractual services	51,300	51,300	33,676	17,624
Commodities	1,250	1,250	455	795
Other charges	3,652,200	3,652,200	1,717,907	1,934,293
Total economic development	<u>4,097,886</u>	<u>4,097,886</u>	<u>2,121,041</u>	<u>1,976,845</u>
Capital outlay:				
Equipment	500	500	-	500
EDP equipment	1,650	1,650	-	1,650
Telecommunications	2,500	2,500	1,493	1,007
Improvements	10,000	10,000	-	10,000
Total capital outlay	<u>14,650</u>	<u>14,650</u>	<u>1,493</u>	<u>13,157</u>
Total expenditures	<u>4,112,536</u>	<u>4,112,536</u>	<u>2,122,534</u>	<u>1,990,002</u>
Excess (deficiency) of revenues over expenditures	<u>37,464</u>	<u>37,464</u>	<u>1,917,188</u>	<u>(1,879,724)</u>
Net change in fund balance	<u>\$ 37,464</u>	<u>\$ 37,464</u>	<u>1,917,188</u>	<u>\$ (1,879,724)</u>
Fund balance, beginning of year			496,172	
Fund balance, end of year			<u>\$ 2,413,360</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - STATE DRUG PROFIT FORFEITURE FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Investment income	\$ -	\$ -	\$ 144	\$ (144)
Miscellaneous, other	77,500	77,500	48,914	28,586
Total revenues	<u>77,500</u>	<u>77,500</u>	<u>49,058</u>	<u>28,442</u>
Expenditures:				
Public health and safety:				
Contractual services	51,000	51,000	45,336	5,664
Commodities	52,000	52,000	51,000	1,000
Other	19,500	19,500	3,374	16,126
Total public health and safety	<u>122,500</u>	<u>122,500</u>	<u>99,710</u>	<u>22,790</u>
Capital outlay:				
Equipment	28,000	28,000	27,720	280
EDP equipment	5,000	5,000	88	4,912
Total capital outlay	<u>33,000</u>	<u>33,000</u>	<u>27,808</u>	<u>5,192</u>
Total expenditures	<u>155,500</u>	<u>155,500</u>	<u>127,518</u>	<u>27,982</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (78,000)</u>	<u>\$ (78,000)</u>	(78,460)	<u>\$ 460</u>
Fund balance, beginning of year			234,595	
Fund balance, end of year			<u>\$ 156,135</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - POLICE EVIDENCE FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 230	\$ (230)
Miscellaneous, other	85,000	85,000	75,627	9,373
Total revenues	<u>85,000</u>	<u>85,000</u>	<u>75,857</u>	<u>9,143</u>
Expenditures:				
Public health and safety:				
Other	130,000	130,000	59,276	70,724
Total expenditures	<u>130,000</u>	<u>130,000</u>	<u>59,276</u>	<u>70,724</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (45,000)</u>	<u>\$ (45,000)</u>	16,581	<u>\$ (61,581)</u>
Fund balance, beginning of year			319,749	
Fund balance, end of year			<u>\$ 336,330</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - FEDERAL DRUG PROFIT FORFEITURE FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 218	\$ (218)
Miscellaneous	100,000	100,000	25,844	74,156
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>26,062</u>	<u>73,938</u>
Expenditures:				
Public health and safety:				
Contractual services	5,000	5,000	2,240	2,760
Commodities	17,500	17,500	5,304	12,196
Other	22,500	22,500	10,012	12,488
Total public health and safety	<u>45,000</u>	<u>45,000</u>	<u>17,556</u>	<u>27,444</u>
Capital outlay:				
Equipment	100,000	100,000	64,559	35,441
EDP equipment	12,000	12,000	-	12,000
Total capital outlay	<u>112,000</u>	<u>112,000</u>	<u>64,559</u>	<u>47,441</u>
Total expenditures	<u>157,000</u>	<u>157,000</u>	<u>82,115</u>	<u>74,885</u>
Deficiency of revenues over expenditures	<u>\$ (57,000)</u>	<u>\$ (57,000)</u>	(56,053)	<u>\$ (947)</u>
Fund balance, beginning of year			<u>306,876</u>	
Fund balance, end of year			<u>\$ 250,823</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - POLICE LAW ENFORCEMENT BLOCK GRANT FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 34	\$ (34)
Intergovernmental grants	-	-	2,146	(2,146)
Total revenues	<u>-</u>	<u>-</u>	<u>2,180</u>	<u>(2,180)</u>
Expenditures:				
Public health and safety:				
Other charges	<u>118,345</u>	<u>118,345</u>	<u>31,259</u>	<u>87,086</u>
Total public health and safety	<u>118,345</u>	<u>118,345</u>	<u>31,259</u>	<u>87,086</u>
Capital outlay:				
Equipment	<u>84,196</u>	<u>84,196</u>	<u>-</u>	<u>84,196</u>
Total capital outlay	<u>84,196</u>	<u>84,196</u>	<u>-</u>	<u>84,196</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (202,541)</u>	<u>\$ (202,541)</u>	<u>(29,079)</u>	<u>\$ (173,462)</u>
Fund balance, beginning of year			<u>30,622</u>	
Fund balance, end of year			<u>\$ 1,543</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - MADISON PARK PLACE TIF PROJECT FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Taxes, property tax	\$ 245,000	\$ 245,000	\$ 248,531	\$ (3,531)
Investment income	-	-	863	(863)
Total revenues	<u>245,000</u>	<u>245,000</u>	<u>249,394</u>	<u>(4,394)</u>
Expenditures:				
Economic development, other charges	<u>1,225,000</u>	<u>1,225,000</u>	-	<u>1,225,000</u>
Total expenditures	<u>1,225,000</u>	<u>1,225,000</u>	-	<u>1,225,000</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (980,000)</u>	<u>\$ (980,000)</u>	249,394	<u>\$ (1,229,394)</u>
Fund balance, beginning of year			980,056	
Fund balance, end of year			<u>\$ 1,229,450</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - POLICE LABORATORY FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Fees for services	\$ 3,500	\$ 3,500	\$ 5,087	\$ (1,587)
Investment income	-	-	33	(33)
Total revenues	<u>3,500</u>	<u>3,500</u>	<u>5,120</u>	<u>(1,620)</u>
Expenditures:				
Public Safety:				
Contractual services	500	500	500	-
Commodities	3,500	3,500	1,073	2,427
Total public safety	<u>4,000</u>	<u>4,000</u>	<u>1,573</u>	<u>2,427</u>
Total expenditures	<u>4,000</u>	<u>4,000</u>	<u>1,573</u>	<u>2,427</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (500)</u>	<u>\$ (500)</u>	3,547	<u>\$ (4,047)</u>
Fund balance, beginning of year			41,734	
Fund balance, end of year			<u>\$ 45,281</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - ENOS PARK TIF PROJECT FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Taxes, property tax	\$ 465,000	\$ 465,000	\$ 482,095	\$ (17,095)
Investment income	2,900	2,900	3,350	(450)
Miscellaneous, other	32,000	32,000	19,006	12,994
Total revenues	<u>499,900</u>	<u>499,900</u>	<u>504,451</u>	<u>(4,551)</u>
Expenditures:				
Economic development, other charges	880,000	880,000	418,991	461,009
Total expenditures	<u>880,000</u>	<u>880,000</u>	<u>418,991</u>	<u>461,009</u>
Excess of revenues over expenditures	<u>\$ (380,100)</u>	<u>\$ (380,100)</u>	85,460	<u>\$ (465,560)</u>
Fund balance, beginning of year			316,512	
Fund balance, end of year			<u>\$ 401,972</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - RECYCLING FEE FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Fees for services	\$ 660,000	\$ 660,000	\$ 641,059	\$ 18,941
Miscellaneous	-	-	100	(100)
Total revenues	<u>660,000</u>	<u>660,000</u>	<u>641,159</u>	<u>18,841</u>
Expenditures:				
General government:				
Contractual services	648,500	661,120	625,709	35,411
Commodities	23,500	10,880	11,010	(130)
Total general government	<u>672,000</u>	<u>672,000</u>	<u>636,719</u>	<u>35,281</u>
Total expenditures	<u>672,000</u>	<u>672,000</u>	<u>636,719</u>	<u>35,281</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (12,000)</u>	<u>\$ (12,000)</u>	4,440	<u>\$ (16,440)</u>
Fund balance, beginning of year			<u>354,566</u>	
Fund balance, end of year			<u>\$ 359,006</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - NORTHEAST TIF PROJECT FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Taxes, property tax	\$ 450,000	\$ 450,000	\$ 436,287	\$ 13,713
Investment income	1	1	74	(73)
Total revenues	<u>450,001</u>	<u>450,001</u>	<u>436,361</u>	<u>13,640</u>
Expenditures:				
Awards and grants	202,000	202,000	188,387	13,613
Debt service				
Principal	194,677	194,677	229,748	(35,071)
Interest	53,324	53,324	18,252	35,072
Total expenditures	<u>450,001</u>	<u>450,001</u>	<u>436,387</u>	<u>13,614</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	(26)	<u>\$ 26</u>
Fund balance, beginning of year			52	
Fund balance, end of year			<u>\$ 26</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - JEFFERSON CROSSING TIF FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Taxes, property tax	\$ 11,500	\$ 11,500	\$ 361	\$ 11,139
Investment income	-	-	3	(3)
Total revenues	<u>11,500</u>	<u>11,500</u>	<u>364</u>	<u>11,136</u>
Expenditures:				
Awards and grants	<u>15,000</u>	<u>15,000</u>	-	15,000
Total expenditures	<u>15,000</u>	<u>15,000</u>	-	15,000
Excess (deficiency) of revenues over expenditures	<u>\$ (3,500)</u>	<u>\$ (3,500)</u>	364	<u>\$ (3,864)</u>
Fund balance, beginning of year			<u>3,878</u>	
Fund balance, end of year			<u>\$ 4,242</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - MACARTHUR TIF

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Taxes, property tax	\$ 125,000	\$ 125,000	\$ 8,708	\$ 116,292
Investment income	-	-	11	(11)
Total revenues	<u>125,000</u>	<u>125,000</u>	<u>8,719</u>	<u>116,281</u>
Expenditures:				
Awards & grants	<u>15,000</u>	<u>15,000</u>	-	<u>15,000</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	-	<u>15,000</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 110,000</u>	<u>\$ 110,000</u>	8,719	<u>\$ 101,281</u>
Fund balance, beginning of year			<u>7,612</u>	
Fund balance, end of year			<u>\$ 16,331</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DIRKSEN PARKWAY REDEVELOPMENT TIF

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Taxes, property tax	\$ 21,250	\$ 21,250	\$ 71,977	\$ (50,727)
Investment income	-	-	49	(49)
Total revenues	<u>21,250</u>	<u>21,250</u>	<u>72,026</u>	<u>(50,776)</u>
Expenditures:				
Awards & grants	<u>45,000</u>	<u>45,000</u>	<u>39,460</u>	<u>5,540</u>
Total expenditures	<u>45,000</u>	<u>45,000</u>	<u>39,460</u>	<u>5,540</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (23,750)</u>	<u>\$ (23,750)</u>	32,566	<u>\$ (56,316)</u>
Fund balance, beginning of year			<u>35,464</u>	
Fund balance, end of year			<u>\$ 68,030</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - SPECIAL ASSESSMENTS FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Taxes, property tax	\$ 55,896	\$ 55,896	\$ 55,895	\$ 1
Investment income	-	-	84	(84)
Total revenues	<u>55,896</u>	<u>55,896</u>	<u>55,979</u>	<u>(83)</u>
Expenditures:				
Debt service				
Principal	39,434	39,434	39,434	-
Interest	16,461	16,461	16,461	-
Total expenditures	<u>55,895</u>	<u>55,895</u>	<u>55,895</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 1</u>	<u>\$ 1</u>	84	<u>\$ (83)</u>
Fund balance, beginning of year			103,882	
Fund balance, end of year			<u>\$ 103,966</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT MANAGEMENT FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Investment income	\$ -	\$ -	\$ 15	\$ (15)
Expenditures:				
Debt service:				
Principal	2,340,000	2,340,000	11,485,000	(9,145,000)
Interest	472,304	472,304	487,405	(15,101)
Total debt service	<u>2,812,304</u>	<u>2,812,304</u>	<u>11,972,405</u>	<u>(9,160,101)</u>
Deficiency of revenues over expenditures	<u>(2,812,304)</u>	<u>(2,812,304)</u>	<u>(11,972,390)</u>	<u>9,160,086</u>
Other financing sources				
Proceeds from bond sale	-	-	8,525,000	(8,525,000)
Bond premium	-	-	764,871	(764,871)
Bond discount	-	-	(40,701)	40,701
Transfers in	2,812,304	2,812,304	2,476,316	335,988
Total other financing sources	<u>2,812,304</u>	<u>2,812,304</u>	<u>11,725,486</u>	<u>(8,913,182)</u>
 Net change in fund balance	 <u>\$ -</u>	 <u>\$ -</u>	 (246,904)	 <u>\$ 246,904</u>
Fund balance, beginning of year			246,904	
Fund balance, end of year			<u>\$ -</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - 1996 CAPITAL IMPROVEMENT FUND
 AND WANLESS ILES JUNCTION SSA

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 739	\$ (739)
Intergovernmental reimbursements	2,600,000	2,600,000	1,503,776	1,096,224
Total revenues	<u>2,600,000</u>	<u>2,600,000</u>	<u>1,504,515</u>	<u>1,095,485</u>
Expenditures:				
Capital outlay, construction	<u>3,588,000</u>	<u>3,588,000</u>	<u>2,096,616</u>	<u>1,491,384</u>
Excess (deficiency) of revenues over expenditures	<u>(988,000)</u>	<u>(988,000)</u>	<u>(592,101)</u>	<u>(395,899)</u>
Net change in fund balance	<u>\$ (988,000)</u>	<u>\$ (988,000)</u>	<u>(592,101)</u>	<u>\$ (395,899)</u>
Fund balance, beginning of year			<u>1,569,089</u>	
Fund balance, end of year			<u>\$ 976,988</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - TIF SOUTH GRAND POINTE PROJECT FUND

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Revenues:				
Taxes, property taxes	\$ 500,000	\$ 500,000	\$ 527,013	\$ (27,013)
Investment income	-	-	519	(519)
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>527,532</u>	<u>(27,532)</u>
Expenditures:				
Economic development, other charges	<u>867,000</u>	<u>867,000</u>	<u>132,024</u>	<u>734,976</u>
Excess of revenues over expenditures	<u>(367,000)</u>	<u>(367,000)</u>	<u>395,508</u>	<u>(762,508)</u>
Net change in fund balance	<u>\$ (367,000)</u>	<u>\$ (367,000)</u>	<u>395,508</u>	<u>\$ (762,508)</u>
Fund balance, beginning of year			<u>367,867</u>	
Fund balance, end of year			<u>\$ 763,375</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - SOUTH CENTRAL BUSINESS DISTRICT

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Property tax	\$ 600,000	\$ 600,000	\$ 841,471	\$ (241,471)
Sales tax	425,000	425,000	372,963	52,037
Investment income	-	-	125	(125)
Total revenues	<u>1,025,000</u>	<u>1,025,000</u>	<u>1,214,559</u>	<u>(189,559)</u>
Expenditures:				
Capital outlay:				
Improvements	<u>6,400,000</u>	<u>6,400,000</u>	<u>2,904,872</u>	<u>3,495,128</u>
Total capital outlay	<u>6,400,000</u>	<u>6,400,000</u>	<u>2,904,872</u>	<u>3,495,128</u>
Debt service:				
Interest	<u>1,308,369</u>	<u>1,308,369</u>	<u>1,298,763</u>	<u>9,606</u>
Total debt service	<u>1,308,369</u>	<u>1,308,369</u>	<u>1,298,763</u>	<u>9,606</u>
Total expenditures	<u>7,708,369</u>	<u>7,708,369</u>	<u>4,203,635</u>	<u>3,504,734</u>
Deficiency of revenues over expenditures	<u>(6,683,369)</u>	<u>(6,683,369)</u>	<u>(2,989,076)</u>	<u>(3,694,293)</u>
Other financing uses				
Issuance of long-term debt	<u>4,500,000</u>	<u>4,500,000</u>	<u>140,238</u>	<u>4,359,762</u>
Total other financing uses	<u>4,500,000</u>	<u>4,500,000</u>	<u>140,238</u>	<u>4,359,762</u>
Net change in fund balance	<u>\$ (2,183,369)</u>	<u>\$ (2,183,369)</u>	<u>(2,848,838)</u>	<u>\$ 665,469</u>
Fund balance, beginning of year			<u>2,204,469</u>	
Fund balance, end of year			<u>\$ (644,369)</u>	

CITY OF SPRINGFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL EQUIPMENT FUND

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Revenues:				
Other	\$ 160,000	\$ 160,000	\$ -	\$ 160,000
Expenditures:				
Capital outlay:				
Equipment	2,792,341	2,792,341	2,640,420	151,921
Telecommunications	80,100	80,100	80,100	-
Total capital outlay	<u>2,872,441</u>	<u>2,872,441</u>	<u>2,720,520</u>	<u>151,921</u>
Debt service:				
Principal	1,075,076	1,075,076	1,074,711	365
Interest	75,154	75,154	75,518	(364)
Total debt service	<u>1,150,230</u>	<u>1,150,230</u>	<u>1,150,229</u>	<u>1</u>
Total expenditures	<u>4,022,671</u>	<u>4,022,671</u>	<u>3,870,749</u>	<u>151,922</u>
Deficiency of revenues over expenditures	<u>(3,862,671)</u>	<u>(3,862,671)</u>	<u>(3,870,749)</u>	<u>8,078</u>
Other financing uses				
Transfers in	1,232,446	1,232,446	1,512,956	(280,510)
Total other financing uses	<u>1,232,446</u>	<u>1,232,446</u>	<u>1,512,956</u>	<u>(280,510)</u>
Net change in fund balance	<u>\$ (2,630,225)</u>	<u>\$ (2,630,225)</u>	<u>(2,357,793)</u>	<u>\$ (272,432)</u>
Fund balance, beginning of year			2,529,341	
Fund balance, end of year			<u>\$ 171,548</u>	

CITY OF SPRINGFIELD, ILLINOIS

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS

February 29, 2016

	Oak Ridge Cemetery Fund	Sewer Fund	Motor Vehicle Parking System Fund	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 32,733	\$ 507,507	\$ 348,825	\$ 889,065
Investments	479,482	-	-	479,482
Interest receivable	5,243	174	55	5,472
Accounts receivable	305,576	3,192,177	-	3,497,753
Grants receivable	-	1,249,143	-	1,249,143
Interfund receivables	-	1,772,360	-	1,772,360
Inventory	385,183	-	11,300	396,483
Total current assets	<u>1,208,217</u>	<u>6,721,361</u>	<u>360,180</u>	<u>8,289,758</u>
Noncurrent assets:				
Capital assets				
Capital assets not being depreciated	-	1,301,153	1,391,547	2,692,700
Capital assets being depreciated, net	1,196,888	46,653,341	1,188,199	49,038,428
Total capital assets	<u>1,196,888</u>	<u>47,954,494</u>	<u>2,579,746</u>	<u>51,731,128</u>
Restricted cash and cash equivalents	-	508,260	-	508,260
Restricted investments	3,755,507	-	-	3,755,507
Service concession arrangement receivable	-	-	1,533,797	1,533,797
Total noncurrent assets	<u>4,952,395</u>	<u>48,462,754</u>	<u>4,113,543</u>	<u>57,528,692</u>
Total assets	<u>6,160,612</u>	<u>55,184,115</u>	<u>4,473,723</u>	<u>65,818,450</u>
Deferred Outflows of Resources:				
IMRF Pension	282,132	769,509	200,365	1,252,006
Total deferred outflows of resources	<u>282,132</u>	<u>769,509</u>	<u>200,365</u>	<u>1,252,006</u>
Total assets and deferred outflows of resources	<u>\$ 6,442,744</u>	<u>\$ 55,953,624</u>	<u>\$ 4,674,088</u>	<u>\$ 67,070,456</u>
Liabilities and Net Position				
Current liabilities:				
Accounts payable	\$ 39,180	\$ 1,451,393	\$ 3,085	\$ 1,493,658
Accrued payroll	22,933	42,737	12,251	77,921
Compensated absences payable	36,315	91,696	30,948	158,959
Accrued interest	-	14,330	-	14,330
Interfund payable	54,319	1,042,434	10,909	1,107,662
Due to other governments	-	3,634,718	-	3,634,718
Loans payable, due within one year	-	450,989	-	450,989
Total current liabilities	<u>152,747</u>	<u>6,728,297</u>	<u>57,193</u>	<u>6,938,237</u>
Noncurrent liabilities:				
Unearned revenue	919,249	-	-	919,249
Compensated absences	11,104	28,039	9,463	48,606
Loans payable, less current portion	-	1,860,916	-	1,860,916
IMRF net pension obligation	819,515	2,235,209	582,003	3,636,727
Other postemployment benefits obligation	663,842	2,439,730	712,329	3,815,901
Total noncurrent liabilities	<u>2,413,710</u>	<u>6,563,894</u>	<u>1,303,795</u>	<u>10,281,399</u>
Total liabilities	<u>2,566,457</u>	<u>13,292,191</u>	<u>1,360,988</u>	<u>17,219,636</u>
Deferred inflows from resources				
Deferred service concession arrangement	-	-	1,533,797	1,533,797
Net Position				
Net investment in capital assets	1,196,888	45,642,589	2,579,746	49,419,223
Restricted for endowment care, nonexpendable	4,056,218	-	-	4,056,218
Unrestricted (deficit)	<u>(1,376,819)</u>	<u>(2,981,156)</u>	<u>(800,443)</u>	<u>(5,158,418)</u>
Total net position	<u>\$ 3,876,287</u>	<u>\$ 42,661,433</u>	<u>\$ 1,779,303</u>	<u>\$ 48,317,023</u>

CITY OF SPRINGFIELD, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS

Year Ended February 29, 2016

	Oak Ridge Cemetery Fund	Sewer Fund	Motor Vehicle Parking System Fund	Total
Operating revenues:				
Fees for services	\$ 865,409	\$ 6,164,758	\$ 766,678	\$ 7,796,845
Other	8,324	12,692	49,979	70,995
Total operating revenues	<u>873,733</u>	<u>6,177,450</u>	<u>816,657</u>	<u>7,867,840</u>
Operating expenses:				
Personal services	846,530	1,975,564	577,362	3,399,456
Contractual services	102,301	2,236,344	75,150	2,413,795
Commodities	113,498	134,677	19,573	267,748
Equipment	1,118	203,219	-	204,337
Electronic data processing	4,717	67,916	8,078	80,711
Telecommunications	3,125	14,488	1,660	19,273
Operation of automotive equipment	46,470	217,662	23,264	287,396
Repair and maintenance	-	349,816	-	349,816
Bank fees	3,025	-	-	3,025
Travel	757	9,149	-	9,906
Other postemployment benefits	252,580	801,496	153,777	1,207,853
Depreciation	86,317	1,996,493	66,544	2,149,354
Total operating expenses	<u>1,460,438</u>	<u>8,006,824</u>	<u>925,408</u>	<u>10,392,670</u>
Operating income (loss)	<u>(586,705)</u>	<u>(1,829,374)</u>	<u>(108,751)</u>	<u>(2,524,830)</u>
Nonoperating revenues (expenses):				
Investment income	(275,233)	795	248	(274,190)
Interest expense	-	(57,193)	-	(57,193)
Total nonoperating revenues (expenses)	<u>(275,233)</u>	<u>(56,398)</u>	<u>248</u>	<u>(331,383)</u>
Income before capital contributions and transfers	<u>(861,938)</u>	<u>(1,885,772)</u>	<u>(108,503)</u>	<u>(2,856,213)</u>
Transfers:				
Transfer in	400,000	-	-	400,000
Transfer out	(9,426)	(17,279)	(3,927)	(30,632)
Total transfers	<u>390,574</u>	<u>(17,279)</u>	<u>(3,927)</u>	<u>369,368</u>
Capital grants and contributions	<u>25,000</u>	<u>905,793</u>	<u>-</u>	<u>930,793</u>
Change in net position	<u>(446,364)</u>	<u>(997,258)</u>	<u>(112,430)</u>	<u>(1,556,052)</u>
Net position at beginning of year	4,901,178	45,236,609	2,302,591	52,440,378
Change in accounting principle	(578,527)	(1,577,918)	(410,858)	(2,567,303)
Net position at beginning of year, restated	4,322,651	43,658,691	1,891,733	49,873,075
Net position at end of year	<u>\$ 3,876,287</u>	<u>\$ 42,661,433</u>	<u>\$ 1,779,303</u>	<u>\$ 48,317,023</u>

CITY OF SPRINGFIELD, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

Year Ended February 29, 2016

	Oak Ridge Cemetery Fund	Sewer Fund	Motor Vehicle Parking System Fund	Total
Cash flows from operating activities:				
Receipts from customers	\$ 869,823	\$ 21,711,429	\$ 722,093	\$ 23,303,345
Receipts from interfund services	-	49,403	44,585	93,988
Payments to suppliers	(258,663)	(17,940,485)	(82,165)	(18,281,313)
Payments to employees	(928,891)	(2,338,197)	(630,442)	(3,897,530)
Payments for interfund services	(1,407)	(49,649)	(45,003)	(96,059)
Other operating receipts	8,324	-	49,979	58,303
Net cash from operating activities	(310,814)	1,432,501	59,047	1,180,734
Cash flows from noncapital financing activities:				
Transfers in (out)	390,574	(17,279)	(3,927)	369,368
Cash received in (paid for) interfund borrowings	47,927	908,052	6,449	962,428
Net cash from noncapital financing activities	438,501	890,773	2,522	1,331,796
Cash flows from capital and related financing activities:				
Purchase of capital assets	(58,158)	(3,342,451)	(25,252)	(3,425,861)
Proceeds from capital debt	-	496,124	-	496,124
Principal paid on loans	-	(419,419)	-	(419,419)
Interest paid on loans	-	(58,573)	-	(58,573)
Net cash from capital and related financing activities	(58,158)	(3,324,319)	(25,252)	(3,407,729)
Cash flows from investing activities:				
Purchase of investments	(222,978)	-	-	(222,978)
Interest and dividends received	154,032	641	198	154,871
Net cash from investing activities	(68,946)	641	198	(68,107)
Net increase (decrease) in cash and cash equivalents	583	(1,000,404)	36,515	(963,306)
Cash and cash equivalents, beginning of year	32,150	2,016,171	312,310	2,360,631
Cash and cash equivalents, end of year	<u>\$ 32,733</u>	<u>\$ 1,015,767</u>	<u>\$ 348,825</u>	<u>\$ 1,397,325</u>
Reconciliation:				
Cash and cash equivalents	\$ 32,733	\$ 507,507	\$ 348,825	\$ 889,065
Restricted cash and cash equivalents - noncurrent	-	508,260	-	508,260
	<u>\$ 32,733</u>	<u>\$ 1,015,767</u>	<u>\$ 348,825</u>	<u>\$ 1,397,325</u>

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
NONMAJOR ENTERPRISE FUNDS

Year Ended February 29, 2016

	Oak Ridge Cemetery Fund	Sewer Fund	Motor Vehicle Parking System Fund	Total
Reconciliation of operating (loss) to net cash flows from operating activities:				
Operating (loss)	\$ (586,705)	\$ (1,829,374)	\$ (108,751)	\$ (2,524,830)
Adjustments to reconcile operating (loss) to net cash from operating activities				
Depreciation	86,317	1,996,493	66,544	2,149,354
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(35,624)	(418,528)	-	(454,152)
(Increase) decrease in inventories	20,584	-	3,667	24,251
(Increase) decrease in deferred outflows of resources	(267,809)	(730,443)	(190,193)	(1,188,445)
Increase (decrease) in interfund receivable	-	(97,884)	-	(97,884)
Increase (decrease) in accounts payable	14,940	952,586	(3,110)	964,416
Increase (decrease) in accrued payroll	8,061	(1,087)	3,148	10,122
Increase (decrease) in unearned revenue	19,455	-	-	19,455
Increase (decrease) in compensated absences	3,927	(98,268)	7,856	(86,485)
Increase (decrease) in due to Sangamon County Water Reclamation District	-	390,345	-	390,345
Increase in IMRF net pension obligation	203,891	563,734	144,637	912,262
Increase in other postemployment benefits	222,149	704,927	135,249	1,062,325
Total adjustments	275,891	3,261,875	167,798	3,705,564
Net cash from operating activities	\$ (310,814)	\$ 1,432,501	\$ 59,047	\$ 1,180,734
Supplemental disclosure of noncash investing and capital and related financing activities:				
Contributed capital	\$ 25,000	\$ 250,650	\$ -	\$ 275,650
Unrealized gain from marking investments to fair value	(429,315)	-	-	(429,315)

**CITY OF SPRINGFIELD, ILLINOIS
OAK RIDGE CEMETERY FUND**

COMBINING SCHEDULE OF NET POSITION - BY SUB-FUND

February 29, 2016

	Oak Ridge Cemetery Sub-Fund	Endowment Care Sub-Fund	Eliminations	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 32,733	\$ -	\$ -	\$ 32,733
Investments	479,482	-	-	479,482
Interest receivable	579	4,664	-	5,243
Accounts receivable	305,576	-	-	305,576
Inventory	385,183	-	-	385,183
Total current assets	<u>1,203,553</u>	<u>4,664</u>	<u>-</u>	<u>1,208,217</u>
Capital assets:				
Capital assets being depreciated, net	1,196,888	-	-	1,196,888
Total capital assets	<u>1,196,888</u>	<u>-</u>	<u>-</u>	<u>1,196,888</u>
Noncurrent assets				
Restricted assets, investments	-	3,755,507	-	3,755,507
Interfund receivables	-	296,047	(296,047)	-
Total noncurrent assets	<u>-</u>	<u>4,051,554</u>	<u>(296,047)</u>	<u>3,755,507</u>
Total assets	<u>2,400,441</u>	<u>4,056,218</u>	<u>(296,047)</u>	<u>6,160,612</u>
Deferred outflows of resources				
Deferred Outflows - IMRF Pension	282,132	-	-	282,132
Total deferred outflows of resources	<u>282,132</u>	<u>-</u>	<u>-</u>	<u>282,132</u>
Total assets and deferred outflows of resources	<u>\$ 2,682,573</u>	<u>\$ 4,056,218</u>	<u>\$ (296,047)</u>	<u>\$ 6,442,744</u>
Liabilities and Net Position				
Current liabilities:				
Accounts payable	\$ 39,180	\$ -	\$ -	\$ 39,180
Accrued payroll	22,933	-	-	22,933
Interfund payable	54,319	-	-	54,319
Compensated absences payable	36,315	-	-	36,315
Total current liabilities	<u>152,747</u>	<u>-</u>	<u>-</u>	<u>152,747</u>
Noncurrent liabilities:				
Unearned revenue	919,249	-	-	919,249
Compensated absences payable	11,104	-	-	11,104
Interfund payable	296,047	-	(296,047)	-
IMRF net pension obligation	819,515	-	-	819,515
Other postemployment benefits obligation	663,842	-	-	663,842
Total noncurrent liabilities	<u>2,709,757</u>	<u>-</u>	<u>(296,047)</u>	<u>2,413,710</u>
Total liabilities	<u>2,862,504</u>	<u>-</u>	<u>(296,047)</u>	<u>2,566,457</u>
Net position:				
Net investment in capital assets	1,196,888	-	-	1,196,888
Restricted for endowment care	-	4,056,218	-	4,056,218
Unrestricted (deficit)	(1,376,819)	-	-	(1,376,819)
Total net position	<u>\$ (179,931)</u>	<u>\$ 4,056,218</u>	<u>\$ -</u>	<u>\$ 3,876,287</u>

**CITY OF SPRINGFIELD, ILLINOIS
OAK RIDGE CEMETERY FUND**

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION BY SUB-FUND

Year Ended February 29, 2016

	Oak Ridge Cemetery Sub-Fund	Endowment Care Sub-Fund	Eliminations	Total
Operating revenues:				
Fees for services	\$ 865,409	\$ -	\$ -	\$ 865,409
Other	8,324	-	-	8,324
Total operating revenues	<u>873,733</u>	<u>-</u>	<u>-</u>	<u>873,733</u>
Operating expenses:				
Personal services	846,530	-	-	846,530
Contractual services	102,301	-	-	102,301
Commodities	113,498	-	-	113,498
Equipment	1,118	-	-	1,118
Electronic data processing	4,717	-	-	4,717
Telecommunications	3,125	-	-	3,125
Operation of automotive equipment	46,470	-	-	46,470
Bank fees	3,025	-	-	3,025
Travel	757	-	-	757
Other postemployment benefits	252,580	-	-	252,580
Depreciation	86,317	-	-	86,317
Total operating expenses	<u>1,460,438</u>	<u>-</u>	<u>-</u>	<u>1,460,438</u>
Operating loss	<u>(586,705)</u>	<u>-</u>	<u>-</u>	<u>(586,705)</u>
Nonoperating revenues:				
Investment income	(36,651)	(238,582)	-	(275,233)
Total nonoperating revenues	<u>(36,651)</u>	<u>(238,582)</u>	<u>-</u>	<u>(275,233)</u>
Income (loss) before transfers	<u>(623,356)</u>	<u>(238,582)</u>	<u>-</u>	<u>(861,938)</u>
Transfers:				
Transfers in	531,092	47,478	(178,570)	400,000
Transfers out	(56,904)	(131,092)	178,570	(9,426)
Total transfers	<u>474,188</u>	<u>(83,614)</u>	<u>-</u>	<u>390,574</u>
Contributed revenue	25,000	-	-	25,000
Change in net position	<u>(124,168)</u>	<u>(322,196)</u>	<u>-</u>	<u>(446,364)</u>
Net position, beginning of year	522,764	4,378,414	-	4,901,178
Change in accounting principle	(578,527)	-	-	(578,527)
Net position at beginning of year, restated	(55,763)	4,378,414	-	4,322,651
Net position, end of year	<u>\$ (179,931)</u>	<u>\$ 4,056,218</u>	<u>\$ -</u>	<u>\$ 3,876,287</u>

**CITY OF SPRINGFIELD, ILLINOIS
OAK RIDGE CEMETERY FUND**

COMBINING SCHEDULE OF CASH FLOWS BY SUB-FUND

Year Ended February 29, 2016

	Oak Ridge Cemetery Sub-Fund	Endowment Care Sub-Fund	Eliminations	Total
Cash flows from operating activities:				
Receipts from customers	\$ 869,823	\$ -	\$ -	\$ 869,823
Payments to suppliers	(258,663)	-	-	(258,663)
Payments to employees	(928,891)	-	-	(928,891)
Payments for interfund services	(1,407)	-	-	(1,407)
Other operating receipts	8,324	-	-	8,324
Net cash from operating activities	<u>(310,814)</u>	<u>-</u>	<u>-</u>	<u>(310,814)</u>
Cash flows from noncapital financing activities:				
Decrease (increase) in interfund receivables	-	131,092	-	131,092
(Decrease) increase in interfund payables	(83,165)	-	-	(83,165)
Transfers out	(56,904)	(131,092)	178,570	(9,426)
Transfers in	531,092	47,478	(178,570)	400,000
Net cash from noncapital financing activities	<u>391,023</u>	<u>47,478</u>	<u>-</u>	<u>438,501</u>
Cash flows used in capital and related financing activities:				
Purchase of capital assets	(58,158)	-	-	(58,158)
Net cash from capital and related financing activities	<u>(58,158)</u>	<u>-</u>	<u>-</u>	<u>(58,158)</u>
Cash flows from investing activities:				
Interest and dividends received	22,586	131,446	-	154,032
Purchase of investments	(44,054)	(178,924)	-	(222,978)
Net cash from investing activities	<u>(21,468)</u>	<u>(47,478)</u>	<u>-</u>	<u>(68,946)</u>
Net decrease in cash and cash equivalents	583	-	-	583
Cash and cash equivalents, beginning of year	32,150	-	-	32,150
Cash and cash equivalents, end of year	<u>\$ 32,733</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,733</u>
Reconciliation of operating loss to net cash used in operating activities:				
Operating loss	\$ (586,705)	\$ -	\$ -	\$ (586,705)
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation	86,317	-	-	86,317
(Increase) decrease in accounts receivable	(35,624)	-	-	(35,624)
(Increase) decrease in inventories	20,584	-	-	20,584
(Increase) decrease in deferred outflows of resources	(267,809)	-	-	(267,809)
Increase (decrease) in accounts payable	14,940	-	-	14,940
Increase (decrease) in accrued payroll	8,061	-	-	8,061
Increase (decrease) in unearned revenue	19,455	-	-	19,455
Increase (decrease) in compensated absences payable	3,927	-	-	3,927
Increase (decrease) in IMRF net pension obligation	203,891	-	-	203,891
Increase (decrease) in other postemployment benefits obligation	222,149	-	-	222,149
Net cash used in operating activities	<u>\$ (310,814)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (310,814)</u>
Supplemental disclosure of noncash investing and capital and related financing activities:				
Unrealized gain (loss) from reporting investments at fair value	\$ (59,188)	\$ (370,127)	\$ -	\$ (429,315)
Contributed revenue	25,000	-	-	25,000

CITY OF SPRINGFIELD, ILLINOIS

OAK RIDGE CEMETERY FUND
SCHEDULE OF REVENUES AND EXPENSES - BUDGET (NONGAAP BASIS) AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Operating revenues:				
Fees for services	\$ 941,300	\$ 941,300	\$ 865,409	\$ 75,891
Miscellaneous, other	12,000	12,000	8,324	3,676
Total operating revenues	<u>953,300</u>	<u>953,300</u>	<u>873,733</u>	<u>79,567</u>
Operating expenses:				
Personal services	1,032,665	1,009,665	846,530	163,135
Contractual services	140,150	120,850	102,301	18,549
Commodities	66,700	117,000	113,498	3,502
Equipment	20,400	60,400	1,118	59,282
Electronic data processing	6,300	6,300	4,717	1,583
Telecommunications	3,900	3,900	3,125	775
Operation of automotive equipment	35,000	49,000	46,470	2,530
Permanent improvements	17,100	100	-	100
Bank fees	3,500	3,500	3,025	475
Travel	1,300	1,300	757	543
Other postemployment benefits	-	-	252,580	(252,580)
Total operating expenses	<u>1,327,015</u>	<u>1,372,015</u>	<u>1,374,121</u>	<u>(2,106)</u>
Operating income (loss) budget basis	<u>(373,715)</u>	<u>(418,715)</u>	<u>(500,388)</u>	<u>81,673</u>
Nonoperating revenues:				
Investment income	30,000	30,000	(275,233)	305,233
Total nonoperating revenues	<u>30,000</u>	<u>30,000</u>	<u>(275,233)</u>	<u>305,233</u>
Income (loss) before transfers	<u>(343,715)</u>	<u>(388,715)</u>	<u>(775,621)</u>	<u>386,906</u>
Transfers:				
Transfer in	400,000	400,000	400,000	-
Transfer out	(12,568)	(12,568)	(9,426)	(3,142)
Total transfers	<u>387,432</u>	<u>387,432</u>	<u>390,574</u>	<u>(3,142)</u>
Contributed revenue	-	-	25,000	(25,000)
Net income (loss) budget basis	<u>\$ 43,717</u>	<u>\$ (1,283)</u>	<u>(360,047)</u>	<u>\$ 358,764</u>
RECONCILIATION TO CHANGE IN NET POSITION				
Depreciation			(86,317)	
CHANGE IN NET POSITION			<u>\$ (446,364)</u>	

CITY OF SPRINGFIELD, ILLINOIS

SEWER FUND
SCHEDULE OF REVENUES AND EXPENSES - BUDGET (NONGAAP BASIS) AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Operating revenues:				
Fees for services	\$ 6,414,000	\$ 6,414,000	\$ 6,164,758	\$ 249,242
Miscellaneous, other	3,000	3,000	12,692	(9,692)
Total operating revenues	<u>6,417,000</u>	<u>6,417,000</u>	<u>6,177,450</u>	<u>239,550</u>
Operating expenses:				
Personal services	2,471,512	2,471,512	1,975,564	495,948
Contractual services	1,644,429	2,394,429	2,236,344	158,085
Commodities	230,300	196,300	134,677	61,623
Equipment	554,000	684,000	427,239	256,761
Electronic data processing	492,900	242,900	67,916	174,984
Telecommunications	14,400	14,400	14,488	(88)
Operation of automotive equipment	188,000	222,000	217,662	4,338
Repairs and maintenance	7,050,000	6,550,000	2,853,644	3,696,356
Debt service	419,420	419,420	419,419	1
Travel	15,500	15,500	9,149	6,351
Other postemployment benefits	-	-	801,496	(801,496)
Total operating expenses	<u>13,080,461</u>	<u>13,210,461</u>	<u>9,157,598</u>	<u>4,052,863</u>
Operating income (loss) budget basis	<u>(6,663,461)</u>	<u>(6,793,461)</u>	<u>(2,980,148)</u>	<u>(3,813,313)</u>
Nonoperating revenues (expenses):				
Investment income	-	-	795	(795)
Loan Proceeds	5,500,000	5,500,000	426,124	5,073,876
Grant revenue	694,000	694,000	655,143	38,857
Debt service	(58,004)	(58,004)	(57,193)	(811)
Total nonoperating revenues (expenses)	<u>6,135,996</u>	<u>6,135,996</u>	<u>1,024,869</u>	<u>5,111,127</u>
Income (loss) before transfers	<u>(527,465)</u>	<u>(657,465)</u>	<u>(1,955,279)</u>	<u>1,297,814</u>
Transfers:				
Transfer out	(23,041)	(23,041)	(17,279)	(5,762)
Total transfers	<u>(23,041)</u>	<u>(23,041)</u>	<u>(17,279)</u>	<u>(5,762)</u>
Contribution revenue	100,000	100,000	250,650	(150,650)
Net income (loss) budget basis	<u>\$ (450,506)</u>	<u>\$ (580,506)</u>	<u>(1,721,908)</u>	<u>\$ 1,141,402</u>
RECONCILIATION TO CHANGE IN NET POSITION				
Capital purchases			2,727,848	
Debt principal payments			419,419	
Loan proceeds/loan payable			(426,124)	
Depreciation			(1,996,493)	
CHANGE IN NET POSITION			<u>\$ (997,258)</u>	

CITY OF SPRINGFIELD, ILLINOIS

MOTOR VEHICLE PARKING SYSTEM FUND
SCHEDULE OF REVENUES AND EXPENSES - BUDGET (NONGAAP BASIS) AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Operating revenues:				
Fees for services	\$ 807,000	\$ 807,000	\$ 766,678	\$ 40,322
Miscellaneous, other	51,500	60,929	49,979	10,950
Total operating revenues	<u>858,500</u>	<u>867,929</u>	<u>816,657</u>	<u>51,272</u>
Operating expenses:				
Personal services	633,674	635,044	577,362	57,682
Contractual services	91,545	84,545	75,150	9,395
Commodities	23,750	19,380	19,573	(193)
Equipment	18,900	28,329	-	28,329
Electronic data processing	20,500	11,700	8,078	3,622
Telecommunications	2,800	2,800	1,660	1,140
Operation of automotive equipment	5,400	24,200	23,264	936
Travel	850	850	-	850
Other postemployment benefits	-	-	153,777	(153,777)
Total operating expenses	<u>797,419</u>	<u>806,848</u>	<u>858,864</u>	<u>(52,016)</u>
Operating income (loss) budget basis	<u>61,081</u>	<u>61,081</u>	<u>(42,207)</u>	<u>103,288</u>
Nonoperating revenues (expenses):				
Interest income	-	-	248	(248)
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>248</u>	<u>(248)</u>
Income (loss) before transfers	<u>61,081</u>	<u>61,081</u>	<u>(41,959)</u>	<u>103,040</u>
Transfers:				
Transfer out	(5,237)	(5,237)	(3,927)	(1,310)
Total transfers	<u>(5,237)</u>	<u>(5,237)</u>	<u>(3,927)</u>	<u>(1,310)</u>
Net income (loss) budget basis	<u>\$ 55,844</u>	<u>\$ 55,844</u>	<u>(45,886)</u>	<u>\$ 101,730</u>
RECONCILIATION TO CHANGE IN NET POSITION				
Depreciation			(66,544)	
CHANGE IN NET POSITION			<u>\$ (112,430)</u>	

CITY OF SPRINGFIELD, ILLINOIS

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION

February 29, 2016

	Support Services Revolving Fund	Unemployment Compensation Escrow Fund	Self Insurance Fund	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 104,372	\$ -	\$ 7,352,501	\$ 7,456,873
Interest receivable	-	-	6,661	6,661
Interfund receivables	1,166,583	-	630,571	1,797,154
Other receivables	-	-	300,192	300,192
Total current assets	<u>1,270,955</u>	<u>-</u>	<u>8,289,925</u>	<u>9,560,880</u>
Noncurrent assets:				
Restricted cash and cash equivalents	-	160,598	2,145,454	2,306,052
Restricted investments	-	-	600,000	600,000
Total noncurrent assets	<u>-</u>	<u>160,598</u>	<u>2,745,454</u>	<u>2,906,052</u>
Total assets	<u>\$ 1,270,955</u>	<u>\$ 160,598</u>	<u>\$ 11,035,379</u>	<u>\$ 12,466,932</u>
Liabilities and Net Position				
Current liabilities				
Accounts payable	\$ 461,435	\$ 1,880	\$ 478,880	\$ 942,195
Accrued payroll	75,428	-	606	76,034
Compensated absences payable	98,007	-	705,887	803,894
Claims and judgments	-	-	6,410,580	6,410,580
Interfund payable	1,785,478	-	6,616	1,792,094
Total current liabilities	<u>2,420,348</u>	<u>1,880</u>	<u>7,602,569</u>	<u>10,024,797</u>
Noncurrent liabilities				
Compensated absences payable	29,968	-	6,021,661	6,051,629
Claims and judgments	-	-	2,179,062	2,179,062
Total noncurrent liabilities	<u>29,968</u>	<u>-</u>	<u>8,200,723</u>	<u>8,230,691</u>
Total liabilities	<u>2,450,316</u>	<u>1,880</u>	<u>15,803,292</u>	<u>18,255,488</u>
Net position, unrestricted (deficit)	<u>\$ (1,179,361)</u>	<u>\$ 158,718</u>	<u>\$ (4,767,913)</u>	<u>\$ (5,788,556)</u>

CITY OF SPRINGFIELD, ILLINOIS

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year Ended February 29, 2016

	Support Services Revolving Fund	Unemployment Compensation Escrow Fund	Self Insurance Fund	Total
Operating revenues:				
Fees for services	\$ -	\$ -	\$ 870,374	\$ 870,374
Intragovernmental	5,606,312	-	28,943,122	34,549,434
Payroll deductions	-	95,486	6,828,408	6,923,894
Other	38,989	-	700	39,689
Total operating revenues	5,645,301	95,486	36,642,604	42,383,391
Operating expenses:				
Personal services	3,653,390	79,448	3,188,022	6,920,860
Contractual services	351,633	-	32,500,905	32,852,538
Commodities	66,595	-	2,506	69,101
Equipment	89,035	-	-	89,035
Electronic data processing	120,624	-	-	120,624
Telecommunications	8,678	-	-	8,678
Operation of automotive equipment	1,685,860	-	-	1,685,860
Travel	727	-	-	727
Permanent Improvements	72,622	-	-	72,622
Awards, benefits and treatment expense, injured employees	-	-	2,039,434	2,039,434
Total operating expenses	6,049,164	79,448	37,730,867	43,859,479
Operating income (loss)	(403,863)	16,038	(1,088,263)	(1,476,088)
Nonoperating revenues:				
Investment income	-	-	16,490	16,490
	-	-	16,490	16,490
Change in net position	(403,863)	16,038	(1,071,773)	(1,459,598)
Net position (deficit), beginning of year	(775,498)	142,680	(3,696,140)	(4,328,958)
Net position (deficit), end of year	<u>\$ (1,179,361)</u>	<u>\$ 158,718</u>	<u>\$ (4,767,913)</u>	<u>\$ (5,788,556)</u>

CITY OF SPRINGFIELD, ILLINOIS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended February 29, 2016

	Support Services Revolving Fund	Unemployment Compensation Escrow Fund	Self Insurance Fund	Total
Cash flows from operating activities:				
Receipts from customers	\$ -	\$ -	\$ 722,776	\$ 722,776
Receipts from interfund services	5,869,090	95,486	35,141,659	41,106,235
Payments to suppliers	(2,360,410)	-	(34,482,586)	(36,842,996)
Payments to employees	(3,928,147)	(91,572)	(1,857,907)	(5,877,626)
Payments (to) from intragovernment for services	472,788	-	-	472,788
Net cash from operating activities	53,321	3,914	(476,058)	(418,823)
Cash flows from investing activities:				
Purchase of investments	-	-	(600,000)	(600,000)
Proceeds on sale and maturities of investments	-	-	1,600,000	1,600,000
Interest earned on investments	-	-	9,913	9,913
Net cash from investing activities	-	-	1,009,913	1,009,913
Net increase in cash and cash equivalents	53,321	3,914	533,855	591,090
Cash and cash equivalents, beginning of year	51,051	156,684	8,964,100	9,171,835
Cash and cash equivalents, end of year	<u>\$ 104,372</u>	<u>\$ 160,598</u>	<u>\$ 9,497,955</u>	<u>\$ 9,762,925</u>
Reconciliation:				
Cash and cash equivalents	\$ 104,372	\$ -	\$ 7,352,501	\$ 7,456,873
Restricted cash and cash equivalents	-	160,598	2,145,454	2,306,052
	<u>\$ 104,372</u>	<u>\$ 160,598</u>	<u>\$ 9,497,955</u>	<u>\$ 9,762,925</u>
Cash flows from operating activities:				
Operating income (loss)	\$ (403,863)	\$ 16,038	\$ (1,088,263)	\$ (1,476,088)
Changes in assets and liabilities:				
(Increase) decrease in other receivable	-	-	(147,598)	(147,598)
(Increase) decrease in interfund receivable	223,789	-	(630,571)	(406,782)
Increase (decrease) in accounts payable	35,364	(12,124)	152,075	175,315
Increase (decrease) in accrued payroll	7,236	-	(16,297)	(9,061)
Increase (decrease) in interfund payable	472,788	-	6,616	479,404
Increase (decrease) in compensated absences	(281,993)	-	1,346,412	1,064,419
Increase (decrease) in claims and judgements	-	-	(98,432)	(98,432)
Net cash from operating activities	\$ 53,321	\$ 3,914	\$ (476,058)	\$ (418,823)

CITY OF SPRINGFIELD, ILLINOIS

SUPPORT SERVICES REVOLVING FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 BUDGET AND ACTUAL

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Operating revenues:				
Intergovernmental, charges for services	\$ 6,618,145	\$ 6,618,145	\$ 5,606,312	\$ 1,011,833
Other revenue	-	-	38,989	(38,989)
Total operating revenues	<u>6,618,145</u>	<u>6,618,145</u>	<u>5,645,301</u>	<u>972,844</u>
Operating expenses:				
General and administrative:				
Personal services	4,131,863	4,131,863	3,653,390	478,473
Contractual services	435,240	375,767	351,633	24,134
Commodities	176,900	91,079	66,595	24,484
Equipment	96,900	65,627	89,035	(23,408)
EDP	41,800	121,725	120,624	1,101
Telecommunications	21,400	11,400	8,678	2,722
Operations of automotives	1,609,150	1,715,793	1,685,860	29,933
Travel	4,850	4,850	727	4,123
Permanent improvements	100,000	100,000	72,622	27,378
Total general and administrative	<u>6,618,103</u>	<u>6,618,104</u>	<u>6,049,164</u>	<u>568,940</u>
Operating income (loss)	<u>42</u>	<u>41</u>	<u>(403,863)</u>	<u>403,904</u>
Net income (loss)	<u>\$ 42</u>	<u>\$ 41</u>	<u>(403,863)</u>	<u>\$ 403,904</u>
Net position (deficit), beginning of year			(775,498)	
Net position (deficit), end of year			<u>\$ (1,179,361)</u>	

CITY OF SPRINGFIELD, ILLINOIS

UNEMPLOYMENT COMPENSATION ESCROW FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 BUDGET AND ACTUAL

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Operating revenues:				
Contributions, payroll deductions	\$ 100,000	\$ 100,000	\$ 95,486	\$ 4,514
Total operating revenues	<u>100,000</u>	<u>100,000</u>	<u>95,486</u>	<u>4,514</u>
Operating expenses:				
General and administrative:				
Personal services	100,000	100,000	79,448	20,552
Total general and administrative	<u>100,000</u>	<u>100,000</u>	<u>79,448</u>	<u>20,552</u>
Operating income (loss)	<u>-</u>	<u>-</u>	<u>16,038</u>	<u>(16,038)</u>
Net income (loss)	<u>\$ -</u>	<u>\$ -</u>	<u>16,038</u>	<u>\$ (16,038)</u>
Net position, beginning of year			142,680	
Net position, end of year			<u>\$ 158,718</u>	

CITY OF SPRINGFIELD, ILLINOIS

SELF INSURANCE FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 BUDGET AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Operating revenues:				
Fees for services	\$ 885,466	\$ 885,466	\$ 870,374	\$ 15,092
Intragovernmental, charges for services	29,614,645	29,614,645	28,943,122	671,523
Contributions, payroll deductions	6,979,778	6,979,778	6,828,408	151,370
Other revenue	-	-	700	(700)
Total operating revenues	<u>37,479,889</u>	<u>37,479,889</u>	<u>36,642,604</u>	<u>837,285</u>
Operating expenses:				
General and administrative:				
Personal services	1,895,000	1,895,000	3,188,022	(1,293,022)
Contractual services	32,551,550	32,551,550	32,500,905	50,645
Commodities	4,000	4,000	2,506	1,494
Awards, benefits and treatment expense, injured employees	5,330,000	5,330,000	2,039,434	3,290,566
Total general and administrative	<u>39,780,550</u>	<u>39,780,550</u>	<u>37,730,867</u>	<u>2,049,683</u>
Operating income (loss)	<u>(2,300,661)</u>	<u>(2,300,661)</u>	<u>(1,088,263)</u>	<u>(1,212,398)</u>
Nonoperating revenues:				
Investment income	12,000	12,000	16,490	(4,490)
Transfers in	200,000	200,000	-	200,000
Net nonoperating revenues	<u>212,000</u>	<u>212,000</u>	<u>16,490</u>	<u>195,510</u>
Net income (loss)	<u>\$ (2,088,661)</u>	<u>\$ (2,088,661)</u>	<u>(1,071,773)</u>	<u>\$ (1,016,888)</u>
Net position, beginning of year			<u>(3,696,140)</u>	
Net position (deficit), end of year			<u>\$ (4,767,913)</u>	

CITY OF SPRINGFIELD, ILLINOIS

PENSION TRUST FUNDS
COMBINING STATEMENT OF PLAN NET POSITION

February 29, 2016

	Firefighters' Pension Fund	Police Pension Fund	Total
Assets			
Cash and cash equivalents	\$ 2,095,962	\$ 2,886,161	\$ 4,982,123
Investments:			
Mutual Fund Equities	43,205,717	54,279,757	97,485,474
Common Stocks	17,533,966	17,449,312	34,983,278
U.S. Government Securities	12,697,653	31,315,011	44,012,664
U.S. Agency Securities	15,092,467	4,619,773	19,712,240
Corporate Bonds	9,547,123	12,337,057	21,884,180
Insurance Contracts	11,891,365	14,224,356	26,115,721
Interest and dividends receivable	245,983	235,396	481,379
Other receivables	10,243	213,742	223,985
Total assets	112,320,479	137,560,565	249,881,044
Liabilities			
Accounts payable	78,547	9,015	87,562
Net position held in trust for pension benefits	\$ 112,241,932	\$ 137,551,550	\$ 249,793,482

CITY OF SPRINGFIELD, ILLINOIS

PENSION TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION

Year Ended February 29, 2016

	Firefighters' Pension Fund	Police Pension Fund	Total
Additions:			
Contributions:			
Employer contributions	\$ 9,786,645	\$ 9,050,592	\$ 18,837,237
Employee contributions	1,696,300	1,895,118	3,591,418
Miscellaneous	-	7,757	7,757
Total contributions	11,482,945	10,953,467	22,436,412
Investment income:			
Net appreciation (depreciation) in fair value of investments	(8,415,721)	(9,656,495)	(18,072,216)
Interest and dividends	2,738,062	3,235,155	5,973,217
Total investment income(loss)	(5,677,659)	(6,421,340)	(12,098,999)
Less investment expense	(268,741)	(269,329)	(538,070)
Net investment income	(5,946,400)	(6,690,669)	(12,637,069)
Total additions	5,536,545	4,262,798	9,799,343
Deductions:			
Pension benefits	13,670,346	12,066,816	25,737,162
Administrative expenses	109,969	228,877	338,846
Total deductions	13,780,315	12,295,693	26,076,008
Net decrease	(8,243,770)	(8,032,895)	(16,276,665)
Net position held in trust for pension benefits:			
Beginning of year	120,485,702	145,584,445	266,070,147
End of year	<u>\$ 112,241,932</u>	<u>\$ 137,551,550</u>	<u>\$ 249,793,482</u>

CITY OF SPRINGFIELD, ILLINOIS

AGENCY FUNDS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES

February 29, 2016

Agency Funds				
	General Interest Escrow Fund	Flex Benefit Escrow Fund	Trust and Agency Fund	Total
Assets				
Cash	\$ 437,142	\$ 80,600	\$ 3,529	\$ 521,271
Total assets	<u>\$ 437,142</u>	<u>\$ 80,600</u>	<u>\$ 3,529</u>	<u>\$ 521,271</u>
Liabilities				
Accounts payable	\$ -	\$ 1,749	\$ 3,529	\$ 5,278
Other accrued liabilities	-	78,851	-	78,851
Intergovernmental payable	437,142	-	-	437,142
Total liabilities	<u>\$ 437,142</u>	<u>\$ 80,600</u>	<u>\$ 3,529</u>	<u>\$ 521,271</u>

CITY OF SPRINGFIELD, ILLINOIS

 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year Ended February 29, 2016

	Balances March 1, 2015	Additions	Deletions	Balances February 29, 2016
General Interest Escrow				
<i>Assets</i>				
Cash	\$ 371	\$ 459,617	\$ 22,846	\$ 437,142
<i>Liabilities</i>				
Intergovernmental payable	\$ 371	\$ 459,617	\$ 22,846	\$ 437,142
Flex Benefit Escrow Fund				
<i>Assets</i>				
Cash	\$ 103,780	\$ 655,305	\$ 678,485	\$ 80,600
<i>Liabilities</i>				
Accounts payable	\$ 1,865	\$ 20,641	\$ 20,757	\$ 1,749
Other accrued liabilities	101,915	44,237	67,301	78,851
Total liabilities	\$ 103,780	\$ 64,878	\$ 88,058	\$ 80,600
Trust and Agency Funds				
<i>Assets</i>				
Cash	\$ 2,176	\$ 130,183	\$ 128,830	\$ 3,529
<i>Liabilities</i>				
Accounts payable	\$ 2,176	\$ 44,460	\$ 43,107	\$ 3,529
Total liabilities	\$ 2,176	\$ 44,460	\$ 43,107	\$ 3,529
Total Assets				
Cash	\$ 106,327	\$ 1,245,105	\$ 830,161	\$ 521,271
Liabilities				
Accounts payable	\$ 4,041	\$ 65,101	\$ 63,864	\$ 5,278
Other accrued liabilities	101,915	44,237	67,301	78,851
Intergovernmental payable	371	459,617	22,846	437,142
Total liabilities	\$ 106,327	\$ 568,955	\$ 154,011	\$ 521,271

CITY OF SPRINGFIELD, ILLINOIS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF SOURCE

February 29, 2016

Assets

General capital assets:

Site land	\$ 22,506,915
Construction in progress	16,439,745
Buildings and improvements	38,203,539
Equipment	32,028,238
Infrastructure	200,800,062
	<u>\$ 309,978,499</u>

Investments in Capital Assets

Derived from:

Revenue	\$ 73,613,478
General obligation bonds and notes	66,038,980
Grants:	
Federal	8,725,207
State	1,828,205
Donations	159,772,629
	<u>\$ 309,978,499</u>

Note: The above amounts do not include fully depreciated equipment in the Facilities Management Internal Service Fund of \$17,326.

The above assets are presented without regard to applicable accumulated depreciation.

CITY OF SPRINGFIELD, ILLINOIS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY

Year Ended February 29, 2016

Function and Activity	Capital Assets February 28, 2015 (as re-categorized)	Additions	Deletions	Capital Assets February 29, 2016
General government:				
Municipal building and plaza	\$ 29,885,319	\$ 81,415	\$ -	\$ 29,966,734
Community promotion	55,806	-	-	55,806
Community services	1,133,522	-	-	1,133,522
Fleet Management	1,910,750	69,522	-	1,980,272
Mayor's office	229,137	-	-	229,137
Total general government	33,214,534	150,937	-	33,365,471
Public health and safety:				
Police protection	6,690,021	1,843,960	768,581	7,765,400
Fire protection	13,762,246	311,626	304,815	13,769,057
Civil defense	1,310,964	-	18,724	1,292,240
Total public health and safety	21,763,231	2,155,586	1,092,120	22,826,697
Streets	230,042,050	18,742,270	2,769,380	246,014,940
Traffic engineering	170,340	-	-	170,340
Culture and recreation	4,597,874	-	2,882,300	1,715,574
Libraries	5,663,671	273,047	51,241	5,885,477
Planning and zoning	35,900	-	35,900	-
Total capital assets	\$ 295,487,600	\$ 21,321,840	\$ 6,830,941	\$ 309,978,499

Note: The above amounts do not include fully depreciated equipment in the Facilities Management Internal Service Fund of \$17,326.

The above assets are presented without regard to applicable accumulated depreciation.

The classification of the capital assets in the various functions as of February 28, 2015 were changed from the prior year.

CITY OF SPRINGFIELD, ILLINOIS

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY

February 29, 2016

Function and Activity	Site Land	Buildings and Improvements	Equipment	Infrastructure	Construction in Progress	Total
General government:						
Municipal building and plaza	\$ 130,250	\$ 23,600,978	\$ 6,235,506	\$ -	\$ -	\$ 29,966,734
Community promotion	55,806	-	-	-	-	55,806
Community services	-	1,102,438	-	31,084	-	1,133,522
Fleet Management	-	1,493,174	487,098	-	-	1,980,272
Mayor's office	-	-	229,137	-	-	229,137
Total general government	<u>186,056</u>	<u>26,196,590</u>	<u>6,951,741</u>	<u>31,084</u>	<u>-</u>	<u>33,365,471</u>
Public health and safety:						
Police protection	-	305,600	7,459,800	-	-	7,765,400
Fire protection	-	3,862,346	9,886,730	-	19,981	13,769,057
Civil defense	-	-	1,292,240	-	-	1,292,240
Total public health and safety	<u>-</u>	<u>4,167,946</u>	<u>18,638,770</u>	<u>-</u>	<u>19,981</u>	<u>22,826,697</u>
Streets	22,320,859	435,860	6,120,329	200,718,128	16,419,764	246,014,940
Traffic engineering	-	-	170,340	-	-	170,340
Culture and recreation	-	1,715,574	-	-	-	1,715,574
Libraries	-	5,687,569	147,058	50,850	-	5,885,477
Planning and zoning	-	-	-	-	-	-
Total capital assets	<u>\$ 22,506,915</u>	<u>\$ 38,203,539</u>	<u>\$ 32,028,238</u>	<u>\$ 200,800,062</u>	<u>\$ 16,439,745</u>	<u>\$ 309,978,499</u>

Note: The above amounts do not include fully depreciated equipment in the Facilities Management Internal Service Fund of \$17,326.

The above assets are presented without regard to applicable accumulated depreciation.

CITY OF SPRINGFIELD, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

Year Ended February 29, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Over)/Under</u>
Expenditures:				
General government:				
Mayor:				
Personal services and fringe benefits	\$ 1,198,374	\$ 1,198,374	\$ 1,175,335	\$ 23,039
Contractual services	196,950	184,723	150,114	34,609
Commodities	8,950	12,563	11,551	1,012
Electronic data processing	7,350	7,350	3,215	4,135
Telecommunications	5,350	7,050	6,923	127
Awards and grants	20,000	31,000	22,750	8,250
Travel	12,200	16,514	7,282	9,232
Total Mayor	<u>1,449,174</u>	<u>1,457,574</u>	<u>1,377,170</u>	<u>80,404</u>
Veterans commission, contractual services	<u>1,000</u>	<u>1,000</u>	<u>842</u>	<u>158</u>
City council:				
Personal services and fringe benefits	547,186	547,186	545,025	2,161
Contractual services	22,100	22,100	21,083	1,017
Commodities	2,050	2,050	681	1,369
Equipment	50	50	-	50
Electronic data processing	100	100	-	100
Telecommunications	2,200	2,200	970	1,230
Total City council	<u>573,686</u>	<u>573,686</u>	<u>567,759</u>	<u>5,927</u>
City clerk:				
Personal services and fringe benefits	474,816	474,816	468,135	6,681
Contractual services	94,785	94,785	91,941	2,844
Commodities	8,000	11,390	11,290	100
Electronic data processing	2,500	250	152	98
Telecommunications	2,850	2,850	1,280	1,570
Travel	1,700	750	100	650
Total City clerk	<u>584,651</u>	<u>584,841</u>	<u>572,898</u>	<u>11,943</u>

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
City treasurer:				
Personal services and fringe benefits	\$ 1,135,587	\$ 1,135,587	\$ 1,019,724	\$ 115,863
Contractual services	101,707	101,707	48,768	52,939
Commodities	8,100	8,100	7,285	815
Electronic data processing	9,800	9,800	8,000	1,800
Telecommunications	2,900	2,900	2,482	418
Refunds	13,000	13,000	7,771	5,229
Bank Fees	25,000	25,000	17,607	7,393
Travel	3,100	3,100	867	2,233
Total City treasurer	1,299,194	1,299,194	1,112,504	186,690
Corporation counsel:				
Personal services and fringe benefits	1,558,420	1,558,420	1,495,182	63,238
Contractual services	78,200	83,550	76,987	6,563
Commodities	11,700	7,500	7,216	284
Electronic data processing	5,500	4,550	4,509	41
Telecommunications	4,150	4,150	4,127	23
Travel & Op of Auto	3,600	2,825	2,655	170
Total corporation counsel	1,661,570	1,660,995	1,590,676	70,319
Human resources:				
Personal services and fringe benefits	1,009,355	1,009,355	1,002,692	6,663
Contractual services	270,050	257,667	199,928	57,739
Commodities	10,200	17,893	16,937	956
Equipment	1,200	1,150	336	814
Electronic data processing	67,500	67,500	66,341	1,159
Telecommunications	4,000	4,000	4,238	(238)
Travel	1,450	1,450	562	888
Total human resources	1,363,755	1,359,015	1,291,034	67,981
Budget and management:				
Personal services and fringe benefits	1,802,748	1,802,748	1,716,796	85,952
Contractual services	45,950	45,950	34,943	11,007
Commodities/Equipment	11,200	11,200	8,855	2,345
Electronic data processing	174,300	174,300	162,844	11,456
Telecommunications	8,200	8,200	4,049	4,151
Travel	11,450	11,450	10,547	903
Total budget and management	2,053,848	2,053,848	1,938,034	115,814

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
General City:				
Contractual services	\$ 2,109,984	\$ 2,145,515	\$ 2,151,011	\$ (5,496)
Commodities/Equipment	3,000	3,000	107	2,893
Electronic data processing	800,000	756,209	391,431	364,778
Awards and grants	134,000	134,000	134,000	-
Total general City	<u>3,046,984</u>	<u>3,038,724</u>	<u>2,676,549</u>	<u>362,175</u>
Municipal band:				
Contractual services	53,900	53,100	45,607	7,493
Commodities	3,100	3,100	1,889	1,211
Total municipal band	<u>57,000</u>	<u>56,200</u>	<u>47,496</u>	<u>8,704</u>
Civil service commission, contractual services	<u>30,000</u>	<u>30,000</u>	<u>25,472</u>	<u>4,528</u>
Disabilities commission, contractual services	<u>400</u>	<u>400</u>	<u>215</u>	<u>185</u>
Planning and zoning commission, contractual services	<u>30,000</u>	<u>25,000</u>	<u>20,345</u>	<u>4,655</u>
Senior citizens commission:				
Contractual services	80,500	80,500	81,935	(1,435)
Commodities	200	200	-	200
Total senior citizens commission	<u>80,700</u>	<u>80,700</u>	<u>81,935</u>	<u>(1,235)</u>
Total general government	<u>12,231,962</u>	<u>12,221,177</u>	<u>11,302,929</u>	<u>918,248</u>

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Public health and safety:				
Fire:				
Personal services and fringe benefits	\$ 34,376,582	\$ 34,376,582	\$ 34,262,609	\$ 113,973
Contractual services	546,710	558,155	461,541	96,614
Commodities/Equipment	280,000	288,705	230,734	57,971
Electronic data processing	54,000	54,000	46,534	7,466
Telecommunications	80,700	80,700	72,507	8,193
Operation of automotive equipment	1,017,387	947,387	830,930	116,457
Travel	35,000	35,000	15,798	19,202
Total fire	36,390,379	36,340,529	35,920,653	419,876
Building and zoning:				
Personal services and fringe benefits	2,357,302	2,293,402	2,293,326	76
Contractual services	583,500	853,911	777,499	76,412
Commodities	10,100	10,100	7,559	2,541
Electronic data processing	44,900	45,900	43,857	2,043
Telecommunications	7,600	7,600	8,946	(1,346)
Operation of automotive equipment	40,000	48,000	44,835	3,165
Permanent Improvements	-	32,589	32,589	-
Travel	600	600	-	600
Total building and zoning	3,044,002	3,292,102	3,208,611	83,491
Solid waste:				
Personal services and fringe benefits	72,747	72,747	71,041	1,706
Contractual services	4,150	4,150	829	3,321
Commodities	700	700	290	410
Electronic data processing	900	900	-	900
Telecommunications	900	900	940	(40)
Travel	650	650	-	650
Total solid waste	80,047	80,047	73,100	6,947
Police:				
Personal services and fringe benefits	38,300,536	38,322,615	37,532,633	789,982
Contractual services	3,420,497	3,484,897	3,349,664	135,233
Commodities/Equipment	272,700	383,513	331,100	52,413
Electronic data processing	450,000	444,500	250,420	194,080
Telecommunications	522,760	522,760	440,966	81,794
Operation of automotive equipment	1,440,000	1,285,075	1,117,891	167,184
Travel	26,000	26,000	6,447	19,553
Total police	44,432,493	44,469,360	43,029,121	1,440,239
Total public health and safety	83,946,921	84,182,038	82,231,485	1,950,553

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Highway and streets:				
Engineering:				
Personal services and fringe benefits	\$ 1,255,787	\$ 1,255,787	\$ 1,227,435	\$ 28,352
Contractual services	163,867	108,167	66,064	42,103
Commodities/Equipment	8,050	8,050	6,567	1,483
Electronic data processing	16,500	55,040	47,885	7,155
Telecommunications	13,600	13,600	22,884	(9,284)
Operation of automotive equipment	23,000	26,600	26,376	224
Travel	3,100	4,560	3,094	1,466
Total engineering	1,483,904	1,471,804	1,400,305	71,499
Garage:				
Personal services and fringe benefits	7,119,854	7,017,954	7,017,918	36
Contractual services	504,350	504,350	515,486	(11,136)
Commodities/Equipment	171,700	171,700	165,549	6,151
Electronic data processing	3,050	3,050	860	2,190
Telecommunications	19,100	19,100	22,754	(3,654)
Operation of automotive equipment	1,012,000	1,317,000	1,404,784	(87,784)
Travel	1,300	1,300	1,269	31
Total garage	8,831,354	9,034,454	9,128,620	(94,166)
Streets:				
Personal services and fringe benefits	664,404	628,404	618,628	9,776
Contractual services	40,125	37,125	27,111	10,014
Commodities	315,150	315,150	176,294	138,856
Electronic data processing	3,100	3,100	1,903	1,197
Telecommunications	6,500	6,500	5,054	1,446
Permanent improvements	14,315	14,315	88	14,227
Travel	700	700	1,412	(712)
Total streets	1,044,294	1,005,294	830,490	174,804
Traffic engineering:				
Personal services and fringe benefits	1,118,945	1,015,745	985,455	30,290
Contractual services	33,000	33,000	32,705	295
Commodities/Equipment	29,600	29,600	10,575	19,025
Electronic data processing	180	180	-	180
Telecommunications	1,900	1,900	2,264	(364)
Operation of automotive equipment	38,000	42,100	42,206	(106)
Travel	600	600	202	398
Total traffic engineering	1,222,225	1,123,125	1,073,407	49,718
Total highway and streets	12,581,777	12,634,677	12,432,822	201,855

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Economic development:				
Economic development:				
Personal services and fringe benefits	\$ 147,202	\$ 175,702	\$ 175,638	\$ 64
Contractual services	156,350	153,850	138,542	15,308
Commodities/Equipment	3,550	6,050	4,803	1,247
Electronic Data Processing	1,800	1,800	53	1,747
Telecommunications	1,000	1,000	1,350	(350)
Awards and grants	290,000	261,500	124,898	136,602
Travel	3,250	3,250	3,240	10
Total economic development	603,152	603,152	448,524	154,628
Capital outlay:				
Mayor:				
Equipment	87,750	83,750	36,525	47,225
Telecommunications	-	600	513	87
Electronic data processing	4,000	4,000	1,589	2,411
Total Mayor	91,750	88,350	38,627	49,723
City clerk:				
Equipment	1,200	1,410	701	709
Electronic data processing	5,000	4,600	4,625	(25)
Telecommunications	500	500	-	500
Total City clerk	6,700	6,510	5,326	1,184
Treasurer:				
Equipment	1,750	1,750	1,744	6
Electronic data processing	5,000	5,000	4,436	564
Total treasurer	6,750	6,750	6,180	570

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Corporation counsel:				
Equipment	\$ 300	\$ 875	\$ 290	\$ 585
Electronic data processing	4,500	4,500	4,518	(18)
Total corporation counsel	<u>4,800</u>	<u>5,375</u>	<u>4,808</u>	<u>567</u>
Human resources:				
Equipment	-	5,500	5,454	46
Electronic data processing	2,000	1,240	1,688	(448)
Total human resources	<u>2,000</u>	<u>6,740</u>	<u>7,142</u>	<u>(402)</u>
Budget and management:				
Equipment	2,700	5,000	4,683	317
Electronic data processing	7,950	7,950	2,732	5,218
Total budget and management	<u>10,650</u>	<u>12,950</u>	<u>7,415</u>	<u>5,535</u>
Municipal Band:				
Equipment	-	800	752	48
Total municipal band	<u>-</u>	<u>800</u>	<u>752</u>	<u>48</u>
General City:				
Telecommunications	-	5,960	5,892	68
Electronic data processing	100,000	100,000	20,970	79,030
Total economic development	<u>100,000</u>	<u>105,960</u>	<u>26,862</u>	<u>79,098</u>
Fire:				
Equipment	36,500	112,960	148,547	(35,587)
Motor Vehicles	60,000	60,000	60,000	-
Machinery	93,500	93,500	30,842	62,658
Electronic data processing	20,000	20,000	12,810	7,190
Telecommunications	162,000	612,000	598,743	13,257
Total fire	<u>372,000</u>	<u>898,460</u>	<u>850,942</u>	<u>47,518</u>
Building and zoning:				
Equipment	500	500	-	500
Motor Vehicles	500	500	500	-
Electronic data processing	10,600	9,600	-	9,600
Telecommunications	1,500	1,500	871	629
Total building and zoning	<u>13,100</u>	<u>12,100</u>	<u>1,371</u>	<u>10,729</u>

(Continued)

CITY OF SPRINGFIELD, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Police:				
Equipment	\$ 227,000	\$ 337,500	\$ 301,829	\$ 35,671
Motor Vehicles	110,000	110,000	110,310	(310)
Machinery	288,080	218,080	90,700	127,380
Electronic data processing	7,500	7,500	15,475	(7,975)
Telecommunications	6,000	6,000	4,462	1,538
Total police	<u>638,580</u>	<u>679,080</u>	<u>522,776</u>	<u>156,304</u>
Engineering:				
Equipment	400	400	168	232
Electronic data processing	9,900	9,900	10,274	(374)
Telecommunications	300	300	606	(306)
Total engineering	<u>10,600</u>	<u>10,600</u>	<u>11,048</u>	<u>(448)</u>
Garage:				
Equipment	3,000	3,000	3,638	(638)
Motor Vehicles	105,000	105,000	105,000	-
Electronic data processing	5,000	5,000	7,085	(2,085)
Telecommunications	500	500	995	(495)
Total garage	<u>113,500</u>	<u>113,500</u>	<u>116,718</u>	<u>(3,218)</u>
Streets:				
Equipment	350	350	-	350
Electronic data processing	1,700	1,700	1,685	15
Telecommunications	200	200	-	200
Total streets	<u>2,250</u>	<u>2,250</u>	<u>1,685</u>	<u>565</u>
Traffic engineering:				
Equipment	600	600	-	600
Motor Vehicles	300	300	300	-
Telecommunications	-	-	147	(147)
Electronic data processing	4,400	4,400	2,632	1,768
Total traffic engineering	<u>5,300</u>	<u>5,300</u>	<u>3,079</u>	<u>2,221</u>
Total capital outlay	<u>1,377,980</u>	<u>1,954,725</u>	<u>1,604,731</u>	<u>349,994</u>
Total expenditures	<u>\$ 110,741,792</u>	<u>\$ 111,595,769</u>	<u>\$ 108,020,491</u>	<u>\$ 3,575,278</u>

CITY OF SPRINGFIELD, ILLINOIS

ELECTRIC LIGHT AND POWER FUND

SCHEDULE OF REVENUES AND EXPENSES - BUDGET (GAAP BASIS) AND ACTUAL

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Operating revenues:				
Fees for services	\$ 259,578,392	\$ 259,578,392	\$ 237,772,754	\$ 21,805,638
Operating expenses:				
General and administrative:				
Accounting and collection	7,676,431	7,740,743	6,499,260	1,241,483
Administration	17,315,306	17,401,884	9,064,832	8,337,052
Customer services	1,331,807	1,331,807	899,233	432,574
Total general and administrative	26,323,544	26,474,434	16,463,325	10,011,109
Other postemployment benefits	-	-	12,882,032	(12,882,032)
Production and distribution:				
Maintenance - steam	36,156,194	36,067,804	26,293,272	9,774,532
Production - steam	90,106,724	89,027,224	71,908,577	17,118,647
Transmission	6,118,088	6,118,088	5,646,892	471,196
Distribution	14,198,727	14,198,727	13,808,619	390,108
Gas turbines	1,933,876	2,933,876	1,745,608	1,188,268
Purchased power	27,964,000	27,964,000	26,211,262	1,752,738
Total production and distribution	176,477,609	176,309,719	145,614,230	30,695,489
Depreciation	32,499,760	32,499,760	32,649,666	(149,906)
Amortization	87,110	87,110	87,110	-
Total operating expenses	235,388,023	235,371,023	207,696,363	27,674,660
Operating income budget basis	24,190,369	24,207,369	30,076,391	(5,869,022)
Nonoperating revenues (expenses):				
Investment income	25,950	25,950	59,735	(33,785)
Interest expense	(27,941,293)	(27,941,293)	(25,596,002)	(2,345,291)
Amortization surety premium	-	-	(66,342)	66,342
Nonutility income (expense)	67,352	67,352	74,890	(7,538)
Other revenue (expense)	(216,600)	(216,600)	(390,870)	174,270
Total non-operating revenues expenses	(28,064,591)	(28,064,591)	(25,918,589)	(2,146,002)
Income (loss) before transfers and contribution revenue	(3,874,222)	(3,857,222)	4,157,802	(8,015,024)
Contribution revenue	1,310,000	1,310,000	874,301	435,699
Transfers, out	(8,839,286)	(8,839,286)	(8,643,964)	(195,322)
Change in net position	\$ (11,403,508)	\$ (11,386,508)	\$ (3,611,861)	\$ (7,774,647)

CITY OF SPRINGFIELD, ILLINOIS

Water Fund
 Schedule of Revenues and Expenses - Budget (GAAP Basis) and Actual

Year Ended February 29, 2016

	Original Budget	Final Budget	Actual	(Over)/Under
Operating revenues:				
Fees for services, sale of water	\$ 30,416,177	\$ 30,416,177	\$ 28,367,672	\$ 2,048,505
Operating expenses:				
General and administrative:				
Accounting and collection	1,947,214	1,958,563	1,555,372	403,191
Administration	3,317,981	3,328,492	1,624,921	1,703,571
Total general and administrative	<u>5,265,195</u>	<u>5,287,055</u>	<u>3,180,293</u>	<u>2,106,762</u>
Other postemployment benefits	<u>-</u>	<u>-</u>	<u>2,937,062</u>	<u>(2,937,062)</u>
Production and distribution:				
Source of supply	1,105,221	1,090,221	712,442	377,779
Pumping	1,580,000	1,578,750	1,169,741	409,009
Purification	4,551,242	4,551,242	4,392,987	158,255
Distribution	6,349,419	6,349,419	5,644,450	704,969
Total production and distribution	<u>13,585,882</u>	<u>13,569,632</u>	<u>11,919,620</u>	<u>1,650,012</u>
Depreciation	<u>4,531,066</u>	<u>4,531,066</u>	<u>4,480,351</u>	<u>50,715</u>
Total operating expenses	<u>23,382,143</u>	<u>23,387,753</u>	<u>22,517,326</u>	<u>870,427</u>
Operating income budget basis	<u>7,034,034</u>	<u>7,028,424</u>	<u>5,850,346</u>	<u>1,178,078</u>
Non-operating revenues (expenses):				
Investment income	4,540	4,540	26,644	(22,104)
Interest expense	(1,335,214)	(1,335,214)	(2,504,823)	1,169,609
Auxiliary service property	(2,059,667)	(2,059,667)	(1,527,477)	(532,190)
Other expense	(128,191)	(128,191)	336,173	(464,364)
Total non-operating revenues (expenses)	<u>(3,518,532)</u>	<u>(3,518,532)</u>	<u>(3,669,483)</u>	<u>150,951</u>
Income (loss) before transfers and contribution revenue	<u>3,515,502</u>	<u>3,509,892</u>	<u>2,180,863</u>	<u>1,329,029</u>
Contribution revenue	2,003,224	2,003,224	1,542,103	461,121
Transfers out	<u>(612,473)</u>	<u>(612,473)</u>	<u>(540,150)</u>	<u>(72,323)</u>
Change in net position	<u>\$ 4,906,253</u>	<u>\$ 4,900,643</u>	<u>\$ 3,182,816</u>	<u>\$ 1,717,827</u>

Year Ended February 29, 2016

	Emergency Repair Account	Renewal Replacement and Improvement Account	Rebate Fund Account	2006 Senior Lien Bond and Interest Account	2006 Senior Lien Debt Service Reserve Account	2007 Senior Lien Bond and Interest Account	2007 Senior Lien Debt Service Reserve Account	2008 Senior Lien Bond and Interest Account	2008 Electric Debt Service Reserve Account	2015 Senior Lien and Interest Account	2015 Senior Lien Debt Service Reserve Account	2010 Electric Improvement Account	Total
Cash and cash equivalents and investments at beginning of year - reserve accounts	\$ 4,000,294	\$ 5,034,063	\$ 45,278	\$ 18,923,769	\$ 12,887,349	\$ 7,055,915	\$ 4,813,125	\$ 2,367,771	\$ 3,627,511	\$ -	\$ -	\$ 1,749,013	\$ 60,504,088
Add (deduct):													
Interest received	1,698	4,259	33	785	26,143	3,283	5,949	4,766	6,362	1,172	4,061	989	59,500
Compliance Deposits	-	18,991,278	-	10,040,711	-	12,728,822	-	12,783,406	-	5,924,749	-	-	60,468,966
Insurance settlements	-	3,502	-	-	-	-	-	-	-	-	-	-	3,502
Bond and interest payments	-	-	-	(25,617,300)	-	(11,781,000)	-	(4,735,500)	-	-	-	-	(42,133,800)
Transfers (to) from restricted accounts	-	-	-	-	(9,843,062)	-	-	-	-	-	9,843,062	-	-
Transfers (to) from unrestricted accounts	-	(20,480,000)	-	(3,347,965)	(3,070,552)	(2,308,040)	-	(953,742)	710	-	22,633	(523,780)	(30,660,736)
	1,698	(1,480,961)	33	(18,923,769)	(12,887,471)	(1,356,935)	5,949	7,098,930	7,072	5,925,921	9,869,756	(522,791)	(12,262,568)
Adjustment to fair market value	(3,096)	-	-	-	122	-	(40)	-	(40)	-	-	-	(3,054)
	(3,096)	-	-	-	122	-	(40)	-	(40)	-	-	-	(3,054)
Cash and cash equivalents and investments at end of year - reserve accounts	\$ 3,998,896	\$ 3,553,102	\$ 45,311	\$ -	\$ -	\$ 5,698,980	\$ 4,819,034	\$ 9,466,701	\$ 3,634,543	\$ 5,925,921	\$ 9,869,756	\$ 1,226,222	\$ 48,238,466
										Unrestricted portion 2010 Improvement Fund Accrued interest receivable			(260) 5,297
										Total restricted accounts			\$ 48,243,503

CITY OF SPRINGFIELD, ILLINOIS
WATER FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
RESTRICTED ACCOUNTS REQUIRED BY REVENUE BOND ORDINANCE

Year Ended February 29, 2016

	2008 Bond and Interest Account	2012 Bond and Interest Account	2008 Debt Service Reserve Account	2012 Debt Service Reserve Account	Emergency Repair Account	Renewal Replacement and Improvement Account	Rebate Fund Account	2012 Water Improvement	Total
Cash and cash equivalents and investments at beginning of year - reserve accounts	\$ 1,214,799	\$ 3,270,268	\$ 548,329	\$ 1,627,354	\$ 1,004,523	\$ 5,422,873	\$ 7,201	\$ 23,476,553	\$ 36,571,900
Add (deduct):									
Compliance deposits	1,710,780	4,986,684	-	-	-	3,952,936	-	-	10,650,400
Investment income	593	1,596	399	2,645	732	4,216	5	14,529	24,715
Bond and interest payments	(1,695,175)	(4,786,075)	-	-	-	-	-	-	(6,481,250)
Transfers from (to) unrestricted accounts	-	-	-	-	-	(2,879,167)	-	(3,478,522)	(6,357,689)
	16,198	202,205	399	2,645	732	1,077,985	5	(3,463,993)	(2,163,824)
Associated premium/discount	-	-	-	-	-	-	-	(190)	(190)
Adjustment to fair market value	-	-	-	(288)	-	-	-	42	(246)
	-	-	-	(288)	-	-	-	(148)	(436)
Cash and cash equivalents and investments at end of year - reserve accounts	<u>\$ 1,230,997</u>	<u>\$ 3,472,473</u>	<u>\$ 548,728</u>	<u>\$ 1,629,711</u>	<u>\$ 1,005,255</u>	<u>\$ 6,500,858</u>	<u>\$ 7,206</u>	<u>\$ 20,012,412</u>	<u>\$ 34,407,640</u>
						*Lake Improvement account			152,127
						Unrestricted portion 2012 Improvement Funds			(336,434)
						Accrued interest receivable			2,606
						Total restricted accounts			<u>\$ 34,225,939</u>

*Not related to long-term debt reserve accounts

STATISTICAL SECTION

Statistical Section

This part of the City of Springfield's comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

A. Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

B. Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate revenue.

C. Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

D. Demographic and Economic Information

These schedules offer indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

E. Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*

Statistical Section Table of Contents

A. Financial Trends

- A-1 Net Positions by Component
- A-2 Changes in Net Position
- A-3 Fund Balances - Governmental Funds
- A-4 Changes in Fund Balances - Governmental Funds

B. Revenue Capacity

- B-1 Revenues by Source - Governmental Funds
- B-2 Significant Own Source Revenue
- B-3 Assessed Value and Actual Value of Taxable Property
- B-4 Direct and Overlapping Tax Rates
- B-5 Property Tax Levies - Direct and Overlapping
- B-6 Principal Property Tax Payers
- B-7 Taxable Sales by Category
- B-8 Property Tax Payment Calendar

C. Debt Capacity

- C-1 Ratios of Outstanding Debt by Type
- C-2 General Bonded Debt Capacity and Ratios
- C-3 Direct and Overlapping Governmental Activities Debt
- C-4 Pledged Revenue Coverage

D. Demographic and Economic Information

- D-1 Demographic and Economic Statistics
- D-2 Principal Employers

E. Operating Information

- E-1 Full-Time-Equivalent City Employees by City Agency
- E-2 Operating Indicators by Agency
- E-3 Capital Assets Statistics by Agency

CITY OF SPRINGFIELD, ILLINOIS

NET POSITIONS BY COMPONENT

LAST TEN FISCAL YEARS

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016*
Governmental activities										
Invested in capital assets net of related debt	\$ 161,452,226	\$ 165,871,612	\$ 175,976,590	\$ 180,935,905	\$ 183,669,278	\$ 182,071,515	\$ 165,099,565	\$ 155,645,419	\$ 138,291,734	\$ 120,811,832
Restricted for public safety	981,152	1,394,303	1,159,993	1,615,427	1,802,693	1,186,566	1,814,307	1,296,106	1,166,076	1,223,135
Restricted for debt service	1,842,618	2,274,276	3,390,503	4,726,040	5,090,201	6,002,860	10,578,055	609,109	7,508,323	1,740,567
Restricted for capital projects	-	3,775,857	2,533,362	3,105,336	1,521,162	11,826,628	3,999,702	10,612,932	2,024,838	1,754,963
Restricted for highways and streets	7,782,643	9,132,163	8,794,371	10,596,917	10,917,981	11,646,639	11,567,809	10,730,388	10,282,023	9,520,584
Restricted for economic development	10,805,087	10,995,552	11,311,750	11,112,750	11,485,646	8,749,029	4,215,547	6,170,879	5,047,618	9,675,905
Restricted for culture and recreation	-	-	-	-	-	596,839	-	-	-	28,531
Restricted for waste and recycling	107,913	4,933	84,444	19,861	33,630	29,091	77,195	266,522	-	-
Unrestricted (deficit)	(41,816,537)	(38,605,856)	(52,096,761)	(59,590,762)	(52,797,816)	(58,338,397)	(40,475,329)	(48,334,944)	(50,160,051)	(368,157,156)
Total governmental activities net assets	\$ 141,155,102	\$ 154,842,840	\$ 151,154,252	\$ 152,521,474	\$ 161,722,775	\$ 163,770,770	\$ 156,876,851	\$ 136,996,411	\$ 114,160,561	\$ (223,401,639)
Business type activities										
Invested in capital assets net of related debt	\$ 401,151,825	\$ 412,607,080	\$ 488,016,230	\$ 495,104,949	\$ 528,393,036	\$ 538,145,927	\$ 528,749,050	\$ 504,121,328	\$ 504,707,959	\$ 499,798,064
Restricted for endowment care	3,358,489	3,415,502	3,476,595	3,537,893	3,513,878	3,654,440	3,876,499	4,202,338	4,378,414	4,056,218
Restricted for Home for the Friendless	17,980	6,275	-	-	-	-	-	-	-	-
Restricted for debt service	22,061,149	41,299,032	47,281,555	63,497,660	24,323,654	25,078,417	29,269,346	30,596,968	31,316,883	31,090,394
Restricted for system repairs and improvements	-	-	-	-	5,455,654	5,711,260	4,376,766	11,995,776	15,339,602	15,144,756
Unrestricted (deficit)	29,317,307	75,370,658	14,399,071	7,644,466	5,264,654	(26,144,919)	(11,900,461)	976,729	(14,998,826)	(62,487,927)
Total business type activities net assets	\$ 455,906,750	\$ 532,698,547	\$ 553,173,451	\$ 569,784,968	\$ 566,950,876	\$ 546,445,125	\$ 554,371,200	\$ 551,893,139	\$ 540,744,032	\$ 487,601,505
Primary government										
Invested in capital assets net of related debt	\$ 562,604,051	\$ 578,478,692	\$ 663,992,820	\$ 676,040,854	\$ 712,062,314	\$ 720,217,442	\$ 693,848,615	\$ 659,766,747	\$ 642,999,693	\$ 620,609,896
Restricted for public safety	981,152	1,394,303	1,159,993	1,615,427	1,802,693	1,186,566	1,814,307	1,296,106	1,166,076	1,223,135
Restricted for endowment care	3,358,489	3,415,502	3,476,595	3,537,893	3,513,878	3,654,440	3,876,499	4,202,338	4,378,414	4,056,218
Restricted for Home for the Friendless	17,980	6,275	-	-	-	-	-	-	-	-
Restricted for debt service	23,903,767	43,573,308	50,672,058	68,223,700	29,413,855	31,081,277	39,847,401	31,206,077	38,825,206	32,830,961
Restricted for system repairs and improvements	-	-	-	-	5,455,654	5,711,260	4,376,766	11,995,776	15,339,602	15,144,756
Restricted for capital projects	-	3,775,857	2,533,362	3,105,336	1,521,162	11,826,628	3,999,702	10,612,932	2,024,838	1,754,963
Restricted for highways and streets	7,782,643	9,132,163	8,794,371	10,596,917	10,917,981	11,646,639	11,567,809	10,730,388	10,282,023	9,520,584
Restricted for economic development	10,805,087	10,995,552	11,311,750	11,112,750	11,485,646	8,749,029	4,215,547	6,170,879	5,047,618	9,675,905
Restricted for culture and recreation	-	-	-	-	-	596,839	-	-	-	28,531
Restricted for waste and recycling	107,913	4,933	84,444	19,861	33,630	29,091	77,195	266,522	-	-
Unrestricted (deficit)	(12,499,230)	36,764,802	(37,697,690)	(51,946,296)	(47,533,162)	(84,483,316)	(52,375,790)	(47,358,215)	(65,158,877)	(430,645,083)
Total primary government net assets	\$ 597,061,852	\$ 687,541,387	\$ 704,327,703	\$ 722,306,442	\$ 728,673,651	\$ 710,215,895	\$ 711,248,051	\$ 688,889,550	\$ 654,904,593	\$ 264,199,866

Note: The City began to report accrual information when it implemented GASB 34 in FY2003.

*The City implemented GASB Statement No. 68 in FY 2016.

CITY OF SPRINGFIELD, ILLINOIS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 20,997,971	\$ 27,553,505	\$ 27,086,696	\$ 27,418,511	\$ 17,261,874	\$ 26,686,733	\$ 33,244,055	\$ 34,315,843	\$ 17,005,181	\$ 15,834,011
Public health and safety	56,150,169	60,416,606	67,156,793	76,331,360	75,268,739	78,138,081	78,226,657	88,797,781	90,819,916	112,349,673
Culture and recreation	7,599,480	8,767,106	8,738,480	10,381,497	10,308,975	6,825,270	8,124,714	7,271,027	6,107,939	7,734,835
Highway and streets	18,073,426	19,675,671	22,436,884	18,285,727	20,357,199	20,646,802	21,486,203	32,958,656	57,232,003	50,675,482
Economic development	592,069	631,245	894,402	1,255,663	5,451,903	4,202,863	1,942,236	3,831,255	8,251,396	9,861,283
Interest on long-term debt	3,639,211	4,339,091	2,682,725	1,838,092	2,447,922	1,047,400	5,030,911	2,066,505	3,068,850	3,957,466
Total governmental activities expenses	107,052,326	121,383,224	128,995,980	135,510,850	131,096,612	137,547,149	148,054,776	169,241,067	182,485,285	200,412,750
Business-type activities:										
Electric Fund	149,225,587	162,007,796	171,294,760	204,665,269	238,516,831	251,719,564	234,574,177	258,467,046	255,162,987	234,230,656
Water Fund	16,701,162	18,131,828	19,811,456	21,420,115	21,797,702	21,477,041	23,663,681	23,395,859	26,414,590	26,652,983
Sewer Fund	5,469,383	5,580,243	5,801,268	5,725,640	5,901,756	6,139,395	5,803,107	9,495,190	7,732,550	8,090,911
Motor Vehicle Parking Fund	897,793	943,655	1,030,883	1,023,332	1,040,291	963,729	885,762	952,716	862,667	934,718
Oak Ridge Cemetery Fund	1,149,783	1,128,717	1,253,450	1,214,754	1,174,863	1,170,920	1,201,562	1,254,982	1,378,635	1,470,782
Total business-type activities expenses	173,443,708	187,792,239	199,191,817	234,049,110	268,431,443	281,470,649	266,128,289	293,565,793	291,551,429	271,380,050
Total primary government expenses	\$ 280,496,034	\$ 309,175,463	\$ 328,187,797	\$ 369,559,960	\$ 399,528,055	\$ 419,017,798	\$ 414,183,065	\$ 462,806,860	\$ 474,036,714	\$ 471,792,800
Program Revenues										
Governmental Activities:										
Charges for Service:										
General government	\$ 3,636,508	\$ 3,722,688	\$ 9,881,019	\$ 11,624,275	\$ 12,259,477	\$ 12,093,999	\$ 11,126,451	\$ 14,115,119	\$ 5,202,787	\$ 5,184,222
Public health and safety	1,690,884	1,770,098	1,548,006	1,627,517	1,825,969	1,660,354	1,970,903	1,853,269	1,765,328	1,683,535
Culture and recreation	131,325	139,667	123,555	123,232	117,842	100,834	134,004	90,696	81,440	76,701
Highway and streets	1,282,124	1,241,343	1,072,047	1,889,709	2,013,472	1,935,878	2,112,273	1,983,291	2,202,211	1,872,906
Economic development	3,250	3,753	4,650	7,800	7,575	12,675	34,986	9,376	5,761	7,216
Operating Grants and Contributions:										
General government	62,676	59,415	421,864	1,991,591	22,767	321,490	7,842	42,726	-	-
Public health and safety	3,633,072	1,794,994	1,636,041	4,446,106	5,832,136	4,120,717	2,212,435	1,832,735	527,261	2,253,749
Culture and recreation	196,616	204,876	166,691	142,427	139,136	156,306	241,042	145,957	948,089	960,499
Highway and streets	1,000,000	-	1,359,805	1,708,264	2,976,369	2,889,647	4,202,624	6,313,595	5,966,713	16,237,446
Economic development	4,056,886	3,376,797	3,717,434	3,714,704	4,641,842	3,547,739	2,176,610	1,641,572	1,390,114	1,533,951
Capital Grants and Contributions:										
Highway and streets	9,732,915	12,634,739	1,429,027	4,633,588	890,177	699,127	1,533,995	1,005,055	12,312,102	1,056,391
Total governmental activities revenues	25,426,256	24,948,370	21,360,139	31,909,213	30,726,762	27,538,766	25,753,165	29,033,391	30,401,806	30,866,616

CITY OF SPRINGFIELD, ILLINOIS

CHANGES IN NET POSITION - CONTINUED

LAST TEN FISCAL YEARS

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Program Revenues - Continued										
Business type Activities:										
Charges for Service:										
Electric Fund	160,935,725	186,501,353	186,236,133	216,059,625	226,750,881	220,339,573	226,036,772	253,741,265	244,679,049	237,772,754
Water Fund	18,291,848	19,258,571	20,894,278	25,012,041	29,040,941	31,480,740	30,996,507	30,016,919	28,954,212	28,367,672
Sewer Fund	6,084,933	6,107,610	5,747,187	5,686,507	5,849,462	5,764,406	6,542,103	5,806,930	5,886,598	6,177,450
Motor Vehicle Parking Fund	918,940	949,144	909,933	899,855	865,802	857,916	841,240	827,182	815,336	816,657
Oak Ridge Cemetery Fund	893,963	725,541	745,508	805,871	745,016	800,943	902,444	701,608	932,398	873,733
Capital Grants and Contributions:										
Electric Fund	9,998,303	1,082,775	1,956,779	1,600,089	2,405,613	3,216,929	6,222,739	664,890	1,435,136	874,301
Water Fund	2,253,370	2,511,025	1,287,817	1,486,711	2,227,071	1,297,932	923,059	1,242,564	1,124,986	1,542,103
Sewer Fund	2,267,078	1,063,360	744,517	48,617	81,441	276,376	251,953	94,055	1,021,193	905,793
Oak Ridge Cemetery Fund	-	-	-	-	-	-	256,130	18,750	230,000	25,000
Total business type activities revenues	201,644,160	218,199,379	218,522,152	251,599,316	267,966,227	264,034,815	272,972,947	293,114,163	285,078,908	277,355,463
Total primary government program revenues	\$ 227,070,416	\$ 243,147,749	\$ 239,882,291	\$ 283,508,529	\$ 298,692,989	\$ 291,573,581	\$ 298,726,112	\$ 322,147,554	\$ 315,480,714	\$ 308,222,079
Net (Expense)/Revenue										
Governmental activities	\$ (81,626,070)	\$ (96,434,854)	\$ (107,635,841)	\$ (103,601,637)	\$ (100,369,850)	\$ (110,008,383)	\$ (122,301,611)	\$ (140,207,676)	\$ (152,083,479)	\$ (169,546,134)
Business type activities	28,200,452	30,407,140	19,330,335	17,550,206	(465,216)	(17,435,834)	6,844,658	(451,630)	(6,472,521)	5,975,413
Total primary government net expense	\$ (53,425,618)	\$ (66,027,714)	\$ (88,305,506)	\$ (86,051,431)	\$ (100,835,066)	\$ (127,444,217)	\$ (115,456,953)	\$ (140,659,306)	\$ (158,556,000)	\$ (163,570,721)
General Revenues and Other Changes in Net Position										
Governmental activities:										
General revenue										
Property tax	\$ 22,743,477	\$ 24,365,573	\$ 25,389,136	\$ 26,647,461	\$ 27,503,034	\$ 27,888,049	\$ 28,261,595	\$ 29,252,052	\$ 27,303,868	\$ 27,857,691
City sales tax	24,240,853	25,271,570	24,894,837	25,194,070	30,207,937	31,177,403	31,618,148	32,408,079	41,328,159	42,253,155
Use tax	2,820,137	3,187,942	3,253,232	3,161,672	3,393,135	3,586,753	3,591,849	3,982,267	4,437,535	4,728,068
Motor fuel tax	3,197,092	3,196,190	3,014,194	3,461,124	-	-	-	-	-	-
Shared state income tax	9,255,302	10,142,889	10,698,972	7,570,725	9,166,754	9,325,787	10,438,210	11,240,804	11,288,503	12,412,961
Shared state sales tax	23,178,574	24,398,513	24,120,114	26,591,157	25,468,722	26,129,231	26,916,116	26,580,515	27,981,265	28,419,785
Personal property replacement tax	2,913,118	3,277,272	2,938,733	2,676,315	2,818,549	2,573,216	2,425,852	2,895,408	2,812,965	2,692,271
Miscellaneous taxes	3,394,938	3,499,984	4,116,876	5,900,722	6,663,605	6,674,804	6,580,893	7,122,973	7,681,076	7,874,487
Intergovernmental reimbursements	5,878,184	6,196,204	-	-	-	-	-	-	-	-
Miscellaneous revenues	2,253,333	2,487,574	2,556,531	856,002	987,306	1,109,405	1,214,488	1,896,395	1,291,690	1,027,668
Unrestricted investment earnings	1,861,315	1,959,938	841,711	294,268	194,169	193,062	121,327	47,946	88,288	88,288
Transfers	1,889,640	2,138,943	2,122,917	2,615,343	3,167,940	3,398,668	3,147,021	2,706,976	5,396,518	8,814,746
Total governmental activities	103,625,963	110,122,592	103,947,253	104,968,859	109,571,151	112,056,378	114,327,574	118,206,796	129,569,525	136,169,120

CITY OF SPRINGFIELD, ILLINOIS
CHANGES IN NET POSITION - CONTINUED
LAST TEN FISCAL YEARS

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position - Continued										
Business-type activities:										
Net impairment gain	-	44,811,143	3,246,789	-	-	-	-	-	-	-
Donations Home to the Friendless	12,215	-	-	-	-	-	-	-	-	-
Non-utility property operations	-	-	-	-	34,509	93,329	41,370	82,984	81,911	74,890
Miscellaneous revenues	-	-	-	83,750	-	27,993	1,689,736	44,819	-	336,173
Unrestricted investment earnings	4,690,456	3,712,457	20,697	1,592,904	764,555	207,429	361,814	468,846	307,301	(187,811)
Extraordinary gain	1,121,717	-	-	-	-	-	50,735	83,895	8,824	-
Transfers	(1,889,640)	(2,138,943)	(2,122,917)	(2,615,343)	(3,167,940)	(3,398,668)	(3,147,021)	(2,706,976)	(5,396,518)	(8,814,746)
Total business-type activities	<u>3,934,748</u>	<u>46,384,657</u>	<u>1,144,569</u>	<u>(938,689)</u>	<u>(2,368,876)</u>	<u>(3,069,917)</u>	<u>(1,003,366)</u>	<u>(2,026,432)</u>	<u>(4,998,482)</u>	<u>(8,591,494)</u>
Total primary government	<u>\$ 107,560,711</u>	<u>\$ 156,507,249</u>	<u>\$ 105,091,822</u>	<u>\$ 104,030,170</u>	<u>\$ 107,202,275</u>	<u>\$ 108,986,461</u>	<u>\$ 113,324,208</u>	<u>\$ 116,180,364</u>	<u>\$ 124,571,043</u>	<u>\$ 127,577,626</u>
 Change in Net Position pre Prior Period Adjustment										
Governmental activities	\$ 101,457,832	\$ 13,687,738	\$ (3,688,588)	\$ 1,367,222	\$ 9,201,301	\$ 2,047,995	\$ (7,974,037)	\$ (19,880,440)	\$ (22,513,954)	\$ (33,377,014)
Business-type activities	<u>32,135,200</u>	<u>76,791,797</u>	<u>20,474,904</u>	<u>16,611,517</u>	<u>(2,834,092)</u>	<u>(20,505,751)</u>	<u>5,841,292</u>	<u>(2,478,062)</u>	<u>(11,471,003)</u>	<u>(2,616,081)</u>
Total primary government	<u>\$ 133,593,032</u>	<u>\$ 90,479,535</u>	<u>\$ 16,786,316</u>	<u>\$ 17,978,739</u>	<u>\$ 6,367,209</u>	<u>\$ (18,457,756)</u>	<u>\$ (2,132,745)</u>	<u>\$ (22,358,502)</u>	<u>\$ (33,984,957)</u>	<u>\$ (35,993,095)</u>

CITY OF SPRINGFIELD, ILLINOIS
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	463,416	144,667
Assigned	-	-	-	-	-	685,630	999,804	1,087,603	1,369,986	1,004,240
Unassigned	-	-	-	-	-	12,481,030	15,760,873	19,018,600	17,149,008	20,551,975
Unreserved	<u>13,982,026</u>	<u>16,662,888</u>	<u>8,773,485</u>	<u>2,560,730</u>	<u>8,353,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general fund	<u>\$ 13,982,026</u>	<u>\$ 16,662,888</u>	<u>\$ 8,773,485</u>	<u>\$ 2,560,730</u>	<u>\$ 8,353,495</u>	<u>\$ 13,166,660</u>	<u>\$ 16,760,677</u>	<u>\$ 20,106,203</u>	<u>\$ 18,982,410</u>	<u>\$ 21,700,882</u>
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,800	\$ 13,800	\$ 18,750	\$ -	\$ 4,031
Restricted	-	-	-	-	-	40,882,986	32,270,105	49,577,355	54,935,985	54,431,039
Committed	-	-	-	-	-	-	8,380,445	9,110,824	15,671,104	2,419,212
Assigned	-	-	-	-	-	-	848,841	1,073,312	-	35,847,662
Unassigned	-	-	-	-	-	-	(154,593)	348,052	(128,234)	(3,041,041)
Reserved	1,986,590	2,417,784	3,567,834	4,928,630	6,152,134	(145,873)	-	-	-	-
Unreserved reported in:										
Special revenue funds	20,757,727	22,327,364	22,328,983	22,676,961	23,230,189	-	-	-	-	-
Capital projects funds	3,906,201	8,294,942	8,208,702	7,045,812	9,611,548	-	-	-	-	-
Debt service funds	<u>969,514</u>	<u>912,232</u>	<u>7,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 27,620,032</u>	<u>\$ 33,952,322</u>	<u>\$ 34,112,826</u>	<u>\$ 34,651,403</u>	<u>\$ 38,993,871</u>	<u>\$ 40,750,913</u>	<u>\$ 41,358,598</u>	<u>\$ 60,128,293</u>	<u>\$ 70,478,855</u>	<u>\$ 89,660,903</u>

Notes for 2016:

*The committed fund balance in the general fund decreased by 318,749 due to fewer encumbered monies per GASB 54.

*The assigned fund balance in the general fund decreased by \$365,746 due to the library sub-fund having increased liabilities and a decreased cash balance.

*The unassigned fund balance in the general fund increased by 3,402,967 due to interfund receivable increasing because of a large PILOT transfer due from CWLP, local taxes receivable increasing 391,859, and due from fiduciary funds increasing by 429,345 due to a receivable from the general interest escrow fund.

*There is \$34,270,992 included in "all other governmental funds" which is restricted for capital projects and held in the Capital Improvements Fund

*Assigned Fund Balance in the governmental funds increased by \$35,847,662 due to the deposit of home rule sales taxes assigned for capital improvement projects.

*Restricted fund balance in the governmental funds only decreased \$500,915 because of the issuance of the 2016 General Obligation bond issuance and use of the 2015 General Obligation bond proceeds.

*Unassigned fund balance in the governmental funds increased by \$2,912,807 due to the South Central Business District Fund owing the Motor Fuel Tax Fund 2,904,853 for the MacArthur Blv Extension project.

CITY OF SPRINGFIELD, ILLINOIS

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016*
Revenues										
Taxes										
Property tax	\$ 22,743,477	\$ 24,365,573	\$ 25,389,136	\$ 26,647,461	\$ 27,106,263	\$ 27,496,370	\$ 27,868,122	\$ 29,252,052	\$ 27,303,868	\$ 27,857,691
State sales tax	23,178,574	24,398,513	24,120,114	24,242,096	25,468,722	26,129,231	26,916,116	26,580,515	27,981,265	28,419,785
City sales tax	24,240,853	25,271,570	24,894,837	25,194,070	30,207,937	31,177,403	31,618,148	32,408,079	41,328,159	42,253,155
Use tax	2,820,137	3,187,942	3,253,232	3,161,672	3,393,135	3,586,753	3,591,849	3,982,267	4,437,535	4,728,068
Motor fuel tax	3,197,092	3,196,190	3,014,194	3,461,124	2,976,369	2,889,647	2,559,123	2,904,788	2,875,600	2,866,844
Miscellaneous taxes	3,394,938	3,499,984	4,116,876	5,900,722	6,663,605	6,674,804	6,580,893	7,122,973	7,681,076	7,874,487
Fees for services	2,740,709	2,647,794	2,480,907	2,602,296	3,055,362	3,132,061	3,723,822	3,535,696	4,038,752	3,627,860
Investment income	1,861,315	1,959,938	841,711	239,268	190,340	188,256	121,924	110,355	45,536	71,798
Intergovernmental	21,289,205	18,064,491	20,806,233	20,148,971	23,128,433	20,521,925	19,127,404	21,100,279	20,058,045	32,948,232
Intragovernmental	5,670,833	6,166,174	6,006,585	8,510,634	8,427,996	7,922,904	6,890,645	9,635,401	532,530	518,449
Licenses and permits	1,214,706	1,312,993	1,211,922	1,130,695	1,359,136	1,303,889	1,256,118	1,444,251	1,261,110	1,266,006
Fines and fees	2,788,676	2,916,762	2,929,863	3,028,908	1,272,592	1,476,364	1,430,247	1,370,054	1,277,570	1,196,845
Special assessments	219,208	143,206	131,371	137,834	40,586	44,595	40,586	40,248	1,517	-
Franchise fees	1,577,079	1,619,034	1,732,681	1,795,484	1,846,665	1,968,522	2,064,924	2,341,793	2,147,565	2,215,420
Miscellaneous revenue	738,951	1,308,643	803,678	1,428,248	1,946,999	1,529,231	1,268,129	2,071,540	1,511,102	1,116,996
Other Reimbursements	242,347	567,343	317,829	297,763	188,296	675,970	178,510	331,499	-	-
Total Revenues	117,918,100	120,626,150	122,051,169	127,927,246	137,272,436	136,717,925	135,236,560	144,231,790	142,481,230	156,961,636
Expenditures										
General government	18,063,899	19,820,056	20,542,391	25,844,528	18,420,188	24,629,833	30,508,838	33,402,991	12,385,941	11,939,648
Public health and safety	55,839,903	59,010,881	65,488,660	70,997,389	67,915,487	70,596,101	72,694,422	78,773,337	80,965,510	82,675,045
Culture and recreation	6,898,177	7,723,335	7,685,300	7,464,661	6,859,580	5,681,083	5,877,980	6,039,938	5,847,242	6,121,944
Highway and streets	17,182,927	17,027,955	20,536,422	17,362,456	18,697,505	16,703,653	15,516,287	20,743,663	52,152,404	52,833,669
Economic development	574,358	628,214	778,857	778,754	4,757,233	3,870,186	1,314,778	1,735,333	7,782,301	4,745,106
Capital outlay	5,241,353	7,994,800	4,931,822	4,513,136	2,606,765	1,693,199	4,579,996	6,170,280	3,773,475	10,442,136
Debt service										
Principal	5,813,648	5,421,014	6,328,723	6,874,497	7,977,518	7,031,133	6,952,693	9,131,147	5,110,535	13,000,583
Interest	5,030,438	4,811,121	4,849,413	3,885,807	1,580,086	3,440,535	4,245,775	2,080,671	3,041,164	4,090,495
Total expenditures	114,644,703	122,437,376	131,141,588	137,721,228	128,814,362	133,645,723	141,690,769	158,077,360	171,058,572	185,848,626
Excess of revenues over (under) expenditures	3,273,397	(1,811,226)	(9,090,419)	(9,793,982)	8,458,074	3,072,202	(6,454,209)	(13,845,570)	(28,577,342)	(28,886,990)
Other Financing Sources (Uses)										
Issuance of debt	-	-	73,603	-	-	-	-	30,060,825	24,619,620	37,790,238
Premium (discount) from bond issuance	-	-	-	-	-	-	-	2,050,041	4,637,973	3,735,626
Loan proceeds	-	6,000,000	-	1,500,000	-	-	-	-	-	-
Transfers in	13,776,358	13,336,391	14,758,963	16,377,312	14,697,594	11,306,809	14,683,415	14,796,958	11,273,306	14,466,481
Transfers out	(11,886,718)	(11,566,886)	(13,471,046)	(13,757,508)	(13,020,435)	(8,042,004)	(11,573,256)	(12,197,033)	(5,876,788)	(5,651,735)
Capitalized leases	-	3,054,873	-	-	-	233,200	4,012,000	1,250,000	3,150,000	446,900
Total other financing sources (uses)	1,889,640	10,824,378	1,361,520	4,119,804	1,677,159	3,498,005	7,122,159	35,960,791	37,804,111	50,787,510
Net change in fund balance	\$ 5,163,037	\$ 9,013,152	\$ (7,728,899)	\$ (5,674,178)	\$ 10,135,233	\$ 6,570,207	\$ 667,950	\$ 22,115,221	\$ 9,226,769	\$ 21,900,520
Debt service as a percentage of non-capital expenditures	10.0%	9.0%	9.0%	8.2%	7.6%	8.0%	8.2%	7.4%	5.0%	10.1%

* The increase in the Intergovernmental revenues is due to TIGER grant receipts received during the fiscal year.

* The increase in the principal debt service payments is due to the refunding of the General Obligation Refunding Bonds, Series 2005A with the General Obligation Refunding Bonds, Series 2015A.

CITY OF SPRINGFIELD, ILLINOIS
REVENUES BY SOURCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	Property and Replacement Taxes	Sales and Miscellaneous Taxes	State Income Tax	Other	Licenses, Permits, Fines Fees, and Charges for Services	Investment Interest	Misc Revenues	Total
2007	\$ 25,334,887 (1)	\$ 51,817,625	\$ 9,255,302	\$ 20,369,642	\$ 8,321,170	\$ 1,861,315	\$ 958,159	\$ 117,918,100
2008	27,642,845 (1)	54,451,154	10,142,889	16,480,892	8,496,583	1,959,938	1,451,849	120,626,150
2009	28,327,869 (1)	59,399,253	10,698,972	13,492,942	8,355,373	841,711	935,049	122,051,169
2010	29,323,776 (1)	61,959,684	7,570,725	18,710,328	8,557,383	239,268	1,566,082	127,927,246
2011	29,924,812 (1)	68,709,768	10,025,633	18,900,543	7,533,755	190,340	1,987,585	137,272,436
2012	30,069,586 (1)	67,568,191	10,168,044	19,269,186	7,880,836	188,256	1,573,826	136,717,925
2013	30,293,974 (1)	68,707,006	10,438,210	15,891,620	8,475,111	121,924	1,308,715	135,236,560
2014	32,147,461 (1)	70,093,834	11,240,804	19,835,754	8,691,794	110,355	2,111,788	144,231,790
2015	30,116,833 (1)	81,428,035	11,288,503	9,364,708	8,724,997	45,536	1,512,618	142,481,230
2016	30,549,962 (1)	86,142,339	12,412,961	18,361,449	8,306,131	71,798	1,116,996	156,961,636

(1) Reflects the pass through of property taxes for the Fire & Police Pension funds previously recorded in Trust & Agency Funds. Change pursuant to GASB Statement No. 27.

**Note> Revenue has been restated to more accurately represent account groupings.

CITY OF SPRINGFIELD, ILLINOIS

SIGNIFICANT OWN SOURCE REVENUE

LAST TEN YEARS

	<u>City Sales Tax</u>	<u>Tax Rate</u>	<u>Property Tax- General Levy (1)</u>	<u>Tax Rate</u>
2007	\$ 24,240,853	1.5%	\$ 17,084,607	0.9385
2008	25,271,570	1.5%	18,266,003	0.9385
2009	24,894,837	1.5%	19,130,097	0.9385
2010	25,194,070	1.5%-1.75% (2)	19,432,383	0.9385
2011	30,207,937	1.75%	20,323,354	0.9385
2012 (4)	31,142,463	1.75%	20,713,846	0.9385
2013 (4)	31,225,541	1.75%	20,959,144	0.9385
2014	32,015,350	1.75%-2.25% (3)	21,735,543	0.9385
2015	40,944,446	2.25%	21,206,208	0.9385
2016	41,880,192	2.25%	21,268,745	0.9385

(1) Does not include property tax receipts from Tax Increment Districts or Special Assessments.

(2) .25% increase effective for 2 months of fiscal year.

(3) .5% increase effective for 2 months of fiscal year.

(4) City sales tax restated.

Notes:

Due to the Home Rule status of the City of Springfield, there are not any rate restrictions for these taxes.

There are no overlapping taxing bodies that also have a City Sales Tax.

Numerous schedules for overlapping property tax districts follow this schedule.

Due to Sangamon County system limitations the following information is unavailable: collections as of the end of the levy year in dollars and as a percentage of the levy; collections in subsequent years

Source: City of Springfield, Office of Budget and Management and the County Clerk.

CITY OF SPRINGFIELD, ILLINOIS
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Residential Property	Farm Property	Railroads Property	Commercial Property	Industrial Property	Total Taxable Assessed Value	Total Direct Tax Rate	Actual Taxable Value	Actual Tax Collections	Estimated Actual Values
2007	\$ 1,138,425,649	\$ 2,932,800	\$ 1,968,701	\$ 697,225,382	\$ 959,219	\$ 1,841,511,751	0.9385	\$ 17,282,588	\$ 17,279,959	\$ 5,524,535,253
2008	1,213,203,768	2,145,788	2,128,897	734,532,831	993,853	1,953,005,137	0.9385	18,328,953	18,266,003	5,859,015,411
2009	1,292,728,250	2,222,322	2,335,948	761,232,277	1,057,099	2,059,575,896	0.9385	19,329,120	19,130,097	6,178,727,688
2010	1,332,080,539	3,616,591	2,619,188	776,487,811	1,882,907	2,116,687,036	0.9385	19,865,108	19,827,735	6,350,061,108
2011	1,365,332,999	1,479,123	3,140,680	806,276,113	1,873,017	2,178,101,932	0.9385	20,441,487	20,323,354	6,434,305,796
2012	1,397,271,458	1,404,790	3,439,711	815,403,647	1,897,700	2,219,417,306	0.9385	20,829,231	20,713,846	6,658,251,918
2013	1,422,534,518	1,641,788	3,653,037	807,776,501	1,993,105	2,237,598,949	0.9385	20,999,866	20,959,144	6,712,796,847
2014	1,431,654,072	1,912,242	3,894,150	806,365,670	1,993,083	2,245,819,217	0.9385	21,077,013	21,735,543	6,737,457,651
2015	1,435,938,883	2,234,634	4,005,286	826,035,675	2,207,268	2,270,421,746	0.9385	21,307,908	21,206,208	6,811,265,238
2016	1,443,334,329	2,377,057	4,095,891	819,893,144	2,073,214	2,271,773,635	0.9385	21,320,596	21,268,745	6,815,320,905

Note: Values are net of tax exempt property. Tax exempt property value is not available.

Source: County Clerk's Office

CITY OF SPRINGFIELD, ILLINOIS
DIRECT AND OVERLAPPING TAX RATES
LAST TEN FISCAL YEARS

<u>Overlapping Rates</u>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
City	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385
School District #186	4.6633	4.6665	4.4258	4.5638	4.5398	4.6422	4.7369	4.8920	5.0184	5.1650
Junior College District #526	0.4632	0.4611	0.4653	0.4610	0.4579	0.4604	0.4619	0.4650	0.4690	0.4736
Capital Township	0.1181	0.1135	0.1012	0.1011	0.1003	0.0962	0.0908	0.0906	0.0926	0.0925
County	0.7921	0.6733	0.6697	0.6901	0.6828	0.6940	0.7035	0.7204	0.7360	0.7507
Park District	0.4920	0.4512	0.4466	0.4550	0.4506	0.4576	0.4627	0.4746	0.4746	0.4869
Sangamon County Water Reclamation District	0.0886	0.0853	0.0841	0.0862	0.0854	0.0871	0.0886	0.0915	0.0935	0.0955
Airport Authority	0.0832	0.0820	0.0814	0.0831	0.0820	0.0832	0.0914	0.0916	0.0928	0.0931
Auditorium Authority	0.0697	0.0695	0.0694	0.0712	0.0707	0.0648	0.0678	0.0694	0.0701	0.0711
Mass Transportation	0.1015	0.1018	0.1021	0.1056	0.1051	0.1075	0.1096	0.1135	0.1166	0.1201
Total	\$ 7.8102	\$ 7.6427	\$ 7.3841	\$ 7.5556	\$ 7.5131	\$ 7.6315	\$ 7.7517	\$ 7.9471	\$ 8.1021	\$ 8.2870
<u>Direct Rates</u>										
Police Pension	\$ 0.2607	\$ 0.2756	\$ 0.2775	\$ 0.4194	\$ 0.3626	\$ 0.3852	\$ 0.3506	\$ 0.3793	\$ 0.4012	\$ 0.3984
Fire Pension	0.2905	0.3140	0.3197	0.3783	0.3834	0.4159	0.4114	0.4274	0.4172	0.4308
Municipal Retirement	0.0310	0.0284	0.0162	0.0087	0.1743	0.1196	0.1141	0.0873	0.1047	0.0908
Lincoln Library	0.1610	0.1518	0.1440	-	-	-	-	-	-	0.0185
General	0.1738	0.1585	0.1619	0.1134	-	-	0.0447	0.0445	0.0154	-
Judgment and Interest	0.0215	0.0102	0.0192	0.0187	0.0182	0.0178	0.0177	-	-	-
Total	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385	\$ 0.9385

Source: County Clerk's Office

CITY OF SPRINGFIELD, ILLINOIS

PROPERTY TAX LEVIES
DIRECT AND OVERLAPPING

LAST TEN FISCAL YEARS

Fiscal Year	City (1)	School District	Junior College District	Township	County	Park District	Sangamon County Water Reclamation District	Airport Authority	Auditorium Authority	Mass Transportation District	Total
2007	\$ 17,282,588	\$ 81,672,339	\$ 21,417,027	\$ 2,152,491	\$ 24,018,822	\$ 9,887,686	\$ 2,025,000	\$ 1,779,274	\$ 1,505,235	\$ 1,779,274	\$ 163,519,736
2008	18,330,100 (2)	87,022,578	22,280,837	2,197,123	21,748,397	9,684,419	2,075,000	1,852,379	1,547,666	1,907,920	168,646,419
2009	19,329,120	88,721,021	23,858,707	2,065,230	22,836,207	9,934,269	2,155,000	1,920,413	1,614,797	2,004,435	174,439,199
2010	19,865,108	90,723,707	24,732,974	2,110,000	24,178,014	10,566,173	2,261,000	1,999,487	1,694,733	2,082,262	180,213,458
2011	20,441,487	86,049,467	24,647,244	2,149,128	24,391,073	10,592,572	2,301,823	2,015,927	1,719,691	2,098,563	176,406,975
2012	20,829,231	89,128,093	25,362,018	2,099,981	25,373,393	10,960,608	2,394,480	2,079,398	1,603,978	2,167,957	181,999,137
2013	20,999,866	91,100,925	25,905,443	1,998,460	26,060,236	11,174,509	2,470,644	2,299,345	1,690,003	2,218,210	185,917,641
2014	21,077,013	94,156,766	26,517,112	2,001,233	27,107,610	11,509,263	2,572,645	2,312,251	1,735,083	2,295,360	191,284,336
2015	21,307,908	97,177,832	27,189,519	2,050,275	28,117,853	11,639,952	2,662,431	2,360,585	1,766,916	2,372,589	196,645,860
2016	21,320,596	99,477,401	27,859,908	2,049,751	29,033,584	11,929,457	2,736,047	2,440,404	1,788,421	2,426,566	201,062,135

(1) Excludes tax levy on increases in assessed valuation after 1980 of tax increment district property. The City receives the difference between the cumulative tax rate for all taxing bodies multiplied times the current assessed valuation and the 1980 assessed valuation of property within the tax increment district.

(2) Corrected number to reflect levy extended

Source: County Clerk's Office

Note: Due to Sangamon County system limitations the following information is unavailable: collections as of the end of the levy year in dollars and as a percentage of the levy; collections in subsequent years

CITY OF SPRINGFIELD, ILLINOIS

PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND NINE YEARS AGO

Fiscal Year	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
<u>Taxpayer</u>						
White Oaks Mall Co.	\$ 8,100,422	1	0.36%	\$ 8,658,969	1	0.47%
Horace Mann Educators Corp.	5,167,320	2	0.23%	4,574,985	6	0.25%
Memorial Health System	4,785,939	3	0.21%			
Wells Fargo Home Mortgage	4,784,443	4	0.21%	4,230,788	7	0.23%
Government Property Fund				4,102,924	8	0.22%
White Oaks Plaza LLC	4,496,870	5	0.20%			
Springfield Clinic LLP #1	4,430,401	6	0.20%			
Wal-Mart RE Business Trust	4,317,603	7	0.19%			
Springfield Clinic LLP #2	4,140,037	8	0.18%			
Memorial Health System	3,968,830	9	0.17%			
Town and Country Group	3,890,896	10	0.17%			
PIL I LP				7,931,302	2	0.43%
AIG-CMS-Franklin Life				5,806,066	3	0.32%
Simon Property Group				5,414,010	4	0.29%
Trust				4,888,309	5	0.27%
Trust				4,000,000	9	0.22%
Downtown Property LLC				3,874,645	10	0.21%
Total	<u>\$ 48,082,761</u>		<u>2.12%</u>	<u>\$ 53,481,998</u>		<u>2.91%</u>
EAV			2,271,773,635			1,841,511,751

Source: County Clerk's Office

CITY OF SPRINGFIELD, ILLINOIS

TAXABLE SALES BY CATEGORY

LAST TEN CALENDAR YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Merchandise	\$ 5,159,734	\$ 5,012,200	\$ 5,013,004	\$ 5,172,432	\$ 6,146,577	\$ 5,507,165	\$ 5,888,023	\$ 5,711,770	\$ 7,786,792	\$ 7,787,136
Food	1,448,168	1,546,374	1,744,039	1,615,180	2,074,988	2,307,278	2,290,154	2,149,201	2,993,816	3,158,217
Drinking and Eating Places	3,677,694	3,847,096	3,810,482	3,931,293	4,649,748	4,729,672	4,857,495	4,968,073	6,556,427	6,939,884
Apparel	1,347,480	1,356,121	1,302,456	1,221,738	1,470,010	1,937,493	1,395,012	1,514,386	1,939,184	1,930,563
Furniture & H.H. & Radio	2,025,316	2,108,694	2,028,409	1,810,558	2,183,671	2,026,495	2,039,656	1,945,710	2,428,315	2,606,398
Lumber, Bldg. Hardware	2,491,299	2,729,087	2,351,854	2,358,291	3,207,980	2,682,012	2,739,540	2,923,783	3,948,008	4,037,791
Automotive & Filling Stations	2,281,787	2,335,109	2,348,272	2,195,170	2,905,708	3,210,644	3,391,955	3,261,002	3,970,536	3,589,885
Drugs & Misc. Retail	2,973,913	3,088,309	3,131,505	3,419,237	3,902,159	4,476,177	4,806,905	4,878,319	6,003,707	6,224,912
Agriculture & All Others	2,156,021	2,666,068	2,760,068	2,531,419	3,121,469	3,200,898	3,314,163	3,243,427	4,248,649	4,362,726
Manufacturers	304,275	331,913	360,029	303,394	429,650	373,023	389,786	423,465	605,532	545,493
Totals	\$ 23,865,687	\$ 25,020,971	\$ 24,850,118	\$ 24,558,712	\$ 30,091,960	\$ 30,450,857	\$ 31,112,689	\$ 31,019,136	\$ 40,480,966	\$ 41,183,005
City direct sales tax rate	1.5%	1.5%	1.5%	1.5%-1.75%	1.75%	1.75%	1.75%	1.75%-2.25%	2.25%	2.25%

Source: Illinois Department of Revenue Categories by Standard Industrial Codes (SIC)

CITY OF SPRINGFIELD, ILLINOIS**Property Tax Payment Calendar**

Taxes Assessed:	The owner of real property on January 1 in any year is liable for taxes of that year.
Taxes Due:	Current taxes on real property may be paid in two equal installments. The first installment is generally due not later than June 1 and bears interest at the rate of 1 1/2 percent per month until paid, sold, or forfeited. The second installment is due and payable not later than September 1 and bears interest at the rate of 1 1/2 percent per month after September 1 until paid, sold, or forfeited.
Payable:	The first installment of real estate taxes are payable to the Town Collector in the townships in which the taxpayer resides on or before June 1, and the second installment is payable at the office of the County Collector on or before September 1 (office is located in the County Building).
Tax Sale:	Application for judgment and sale in cases of unpaid taxes is made during the month of October. (A Monday is fixed for the date of sale by the County Treasurer.) Tax bills are sold to the bidder who offers to pay the accumulated amount of tax and to charge thereon the lowest rate of interest. The maximum rate of interest provided by law is 18 percent every six months for a period of 2 1/2 years, if less than 6 units and owner-occupied. The purchaser of the tax bill is given a certificate of purchase for each piece of real estate.
Redemption:	Redemption may be made by the owner by payment to the County Clerk of the redemption amount which includes costs and interest plus a charge for redemption certificate, at any time before issuance of the tax deed.
Tax Deed:	Two years, or 2 1/2 years under certain circumstances, from the date of the annual tax sale, the holder of a certificate of purchase which has not been redeemed may, by fulfilling the statutory procedures and paying any subsequent unpaid taxes, obtain a deed. The tax certificate holder may extend the time for redemption to expire at any time in the third year but no longer than three years from the date of sale. This deed must be issued before the expiration of three years after the annual tax sale or the certificate becomes void.

CITY OF SPRINGFIELD, ILLINOIS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities					Business Type Activities					Line of Credit	Total Primary Government	Percentage of Per Capita Income (a)	Per Capita (a)
	General Bonded Debt	Tax Increment Bonds	Special Assessment Bonds	Capital Leases	Loans	Water Revenue Bonds	Electric Revenue Bonds	Motor Vehicle Fund Bond	EPA Loans & Notes Payable	Sewer Fund Bonds				
2007	64,969,101	3,293,000	855,353	547,770	-	24,096,517	408,270,068	841,000	9,304,138	3,453,904		515,630,851	13.57%	4,626
2008	52,293,397	3,258,000	610,136	8,954,739	-	22,240,075	602,735,415	642,000	8,721,601	3,040,626		702,495,989	16.60%	5,999
2009	45,498,849	2,968,868	358,005	7,494,789	-	41,940,598	661,235,854	436,000	7,976,135	2,607,349		770,516,447	17.47%	6,580
2010	38,517,557	2,528,685	221,223	6,160,571	1,500,000	40,575,168	649,773,829	221,000	9,508,300	2,154,072		751,160,405	16.18%	6,415
2011	32,163,900	2,211,432	181,284	4,764,149	1,500,000	39,505,000	622,125,000	-	9,913,036	1,660,000		714,023,801	15.07%	6,098
2012	25,570,978	1,870,307	99,945	3,682,284	-	37,430,000	610,110,000	-	9,320,455	-	2,250,000	690,333,969	15.49%	5,938
2013	21,679,501	16,517,647	55,260	5,811,411	-	96,862,359	609,379,473	-	8,298,778	-	3,450,000	762,054,429	16.34%	6,555
2014	38,264,959	19,165,870	-	5,075,146	-	95,586,294	595,262,787	-	7,127,834	-	1,200,000	761,682,890	16.17%	6,552
2015	68,416,346	19,039,359	-	6,310,742	-	93,027,970	580,427,431	-	6,393,559	-	-	773,615,407	16.07%	6,655
2016	97,871,103	18,910,415	-	5,511,042	-	83,170,000	531,840,000	-	6,140,823	-	-	743,443,383	15.16%	6,395

(a) See Schedule D-1 for personal income and population data.

CITY OF SPRINGFIELD, ILLINOIS

GENERAL BONDED DEBT CAPACITY AND RATIOS

LAST TEN FISCAL YEARS

Fiscal Year	Equalized Assessed Value	General Bonded Debt	General Bonded Debt to Assessed Value	Debt Limit (1)	Comparative Available Debt Capacity
2007	1,841,511,751	64,969,101	3.53%	158,830,389	93,861,288
2008	1,953,005,137	52,293,397	2.68%	168,446,693	116,153,296
2009	2,059,575,896	45,498,849	2.21%	177,638,421	132,139,572
2010	2,116,687,036	38,517,557	1.82%	182,564,257	144,046,700
2011	2,178,101,932	32,163,900	1.48%	187,861,292	155,697,392
2012	2,219,417,306	25,570,978	1.15%	191,424,743	165,853,765
2013	2,237,598,949	17,412,304	0.78%	192,992,909	175,580,605
2014	2,245,819,217	42,365,041	1.89%	193,701,907	151,336,866
2015	2,270,421,746	68,416,346	1.30%	195,823,876	127,407,530
2016	2,271,773,635	97,871,103	2.86%	195,940,476	98,069,373

(1) The City of Springfield has home rule powers. There are no debt limits that apply.

The debt limit for non-home rule governments is 8.625% of assessed valuation (65 ILCS 5/8-5-1).

CITY OF SPRINGFIELD, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF FEBRUARY 29, 2016

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
City of Springfield:			
General Obligation	\$ 88,030,000		
Tax Increment Financing & Special Service Area	18,910,415		
Issuance premiums, net	9,841,103		
Capital Leases	5,511,042		
TOTAL	<u>\$ 122,292,560</u>		
Debt repaid with property tax			
School District #186,5,3A,14,8,16	\$ 194,914,018	65.95%	128,545,795
Community College District #526	29,090,000	59.47%	17,299,823
Springfield Park District	11,760,000	92.00%	10,819,200
Springfield Airport Authority	1,094,200	82.43%	901,949
Springfield Auditorium Authority	8,181,537	90.15%	7,375,656
Sangamon County Water Reclamation District	80,360,000	76.97%	61,853,092
County	7,115,000	58.97%	4,195,716
Other	2,780,000	6.27%	174,306
Subtotal, overlapping debt			231,165,537
City direct debt			<u>122,292,560</u>
Total direct and overlapping debt			<u>\$ 353,458,097</u>

Source: County Clerk's Office; Taxing Districts; Bond issue documents

The Sangamon County Clerk's Office provides an annual overlap report. The report specifies each overlapping district's EAV dollars and percentage. The overlapping district percentage is applied to their outstanding debt. The debt is verified either directly from the district or the bond documents.

CITY OF SPRINGFIELD, ILLINOIS

PLEDGED - REVENUE COVERAGE

LAST TEN FISCAL YEARS

Electric Revenue Bonds							Water Revenue Bonds					
Fiscal Year	Gross Revenues (2)	Less Operating Expenses (2)	Net Available Revenue	Current Maturities Debt Service		Coverage	Gross Revenues (2)	Less Operating Expenses (2)	Net Available Revenue	Current Maturities Debt Service		Coverage
				Principal (1)	Interest					Principal (1)	Interest	
2007	170,849,436	122,355,779	48,493,657	11,535,000	17,943,789	1.65	18,995,024	11,555,041	7,439,983	1,910,000	1,238,805	2.36
2008	197,063,362	132,558,530	64,504,832	11,985,000	23,562,232	1.81	19,825,103	12,092,889	7,732,214	2,015,000	1,143,305	2.45
2009	193,417,054	141,141,367	52,275,687	9,935,000	29,226,696	1.33	21,085,659	13,063,926	8,021,733	1,430,000	1,290,827	2.95
2010	219,385,718	165,834,049	53,551,669	11,445,000	31,152,614	1.26	26,546,139	14,411,760	12,134,379	1,495,000	2,064,790	3.41
2011	230,691,378	174,099,238	56,592,140	12,015,000	30,581,264	1.33	30,783,282	14,907,298	15,875,984	2,075,000	1,993,470	3.90
2012	224,931,888	184,370,503	40,561,385	12,995,000	29,980,314	0.94	31,733,014	15,182,116	16,550,898	2,280,000	1,897,320	3.96
2013	232,739,871	166,594,377	66,145,494	13,020,000	29,435,770	1.56	32,293,721	16,313,690	15,980,031	2,352,500	3,031,330	2.97
2014	254,553,291	194,165,967	60,387,324	13,600,000	28,855,660	1.42	31,068,200	17,014,452	14,053,748	2,360,000	4,171,790	2.15
2015	246,076,630	193,002,405	53,074,225	14,235,000	28,224,380	1.25	28,429,769	17,040,843	11,388,926	2,440,000	4,090,050	1.74
2016	238,324,467	167,105,338	71,219,129	14,585,000	26,895,727	1.72	30,286,701	16,711,912	13,574,789	2,705,000	3,992,450	2.03

(1) Excludes effect of bonds defeased. Includes only first lien bond debt service, subordinate lien debt service is excluded.

(2) Electric Light and Power Fund and Water Fund includes auxiliary service and non-utility property revenues and expenses. Excludes depreciation and amortization in all funds. Excludes contributed revenues, impairment gains and extraordinary items. Includes interest and transfers in all funds.

CITY OF SPRINGFIELD, ILLINOIS

PLEDGED - REVENUE COVERAGE - CONTINUED

LAST TEN FISCAL YEARS

	Motor Vehicle Parking Revenue Bonds (3)						Sewer Revenue Bonds					
	Gross Revenues	Less Operating Expenses (2)	Net Available Revenue	Current Maturities Debt Service		Coverage	Gross Revenues	Less Operating Expenses (2)	Net Available Revenue	Current Maturities Debt Service		Coverage
				Principal (1)	Interest (2)					Principal (1)	Interest (2)	
2007	936,845	745,607	191,238	199,000	32,130	0.83	6,236,500	3,419,498	2,817,002	440,000	154,525	4.74
2008	963,836	810,276	153,560	206,000	25,165	0.66	6,268,352	3,522,306	2,746,046	460,000	133,935	4.62
2009	913,517	872,525	40,992	215,000	17,440	0.18	5,804,771	5,248,386	556,385	480,000	112,315	0.94
2010	1,000,004	916,605	83,399	221,000	8,840	0.36	5,692,694	3,952,008	1,740,686	505,000	89,660	2.93
2011	1,086,911	960,512	126,399	-	-	-	5,936,305	4,200,911	1,735,394	530,000	65,723	2.91
2012	857,966	906,640	(48,674)	-	-	-	6,042,540	4,432,879	1,609,661	-	-	-
2013	841,406	831,186	10,220	-	-	-	6,847,256	4,022,379	2,824,877	-	-	-
2014	827,232	843,972	(16,740)	-	-	-	5,985,564	5,569,884	415,680	-	-	-
2015	815,376	816,211	(835)	-	-	-	6,322,920	6,152,427	170,493	-	-	-
2016	816,905	858,864	(41,959)	-	-	-	7,084,039	5,987,734	1,096,305	-	-	-

(1) Excludes effect of bonds defeased.

(2) Excludes effect of amounts capitalized.

(3) Refinanced with GO refunding bonds effective FY2003.

CITY OF SPRINGFIELD, ILLINOIS

PLEDGED - REVENUE COVERAGE - CONTINUED

LAST TEN FISCAL YEARS

Fiscal Year	Special Assessment Bonds						Tax Increment Bonds (1)					
	Gross Revenues	Less Operating Expenses	Net Available Revenue	Current Maturities Debt Service		Coverage	Gross Resources	Less Operating Expenses	Net Available Revenue	Current Maturities Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2007	379,404	-	379,404	245,217	50,306	1.28	6,864,909	3,601,039	3,263,870	35,000	205,919	13.55
2008	262,575	-	262,575	197,630	35,172	1.13	7,391,573	5,712,315	1,679,258	410,633	202,086	2.74
2009	238,520	-	238,520	180,793	21,026	1.18	6,759,932	4,937,133	1,822,799	430,632	204,313	2.87
2010	276,292	-	276,292	55,306	11,061	4.16	7,142,824	6,209,540	933,284	292,356	176,986	1.99
2011	105,085	-	105,085	60,430	9,064	1.51	8,194,239	6,142,238	2,052,001	174,258	150,946	6.31
2012	107,582	-	107,582	49,973	4,997	1.96	7,939,740	8,627,729	(687,989)	164,484	126,483	-2.36
2013	100,872	-	100,872	55,260	2,763	1.74	7,891,948	11,274,910	(3,382,962)	207,842	1,254,327	-2.31
2014	98,229	-	98,229	-	-	-	16,248,359	18,283,871	(2,035,512)	217,231	1,240,086	-1.40
2015	57,447	-	57,447	-	-	-	6,768,548	8,103,876	(1,335,328)	237,777	1,359,482	-0.84
2016	-	-	-	-	-	-	8,557,643	9,449,647	(892,004)	269,182	1,328,076	-0.56

(1) Far East TIF bonds omitted after FY2002 due to GO refinancing.

(2) Special Service Area bonds included.

CITY OF SPRINGFIELD, ILLINOIS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar Year		Population	Personal Income (2)(7)	Per Capita Income (2)(7)	Median Age (6)	School Enrollment (1)	Unemployment Rate 2/28 (5)	
2006		111,454	7,104,464	34,507	36.9	14,007	4.7%	
2007	(3)	117,096	7,437,920	35,972	37.2	13,800	5.2%	
2008		117,096	7,779,658	37,425	36.7	14,213	7.4%	
2009		117,096	7,918,793	37,907	37.0	14,180	9.2%	
2010	(4)	116,250	8,069,363	38,330	38.2	14,120	7.8%	
2011	(4)	116,250	8,491,662	40,124	38.3	14,219	7.7%	
2012	(4)	116,250	8,588,211	40,519	39.9	14,303	8.3%	
2013	(4)	116,250	8,763,670	41,407	40.0	14,484	7.5%	(8)
2014	(4)	116,250	8,924,866	42,185	38.7	14,292	5.6%	(9)
2015	(4)	116,250	N/A	N/A	N/A	14,158	6.3%	

Sources: U.S. Dept of Labor-Bureau of Labor Statistics, Bureau of the Census
U.S. Dept of Commerce, and Illinois Board of Education.

- (1) District 186 Schools only K-12.- source-IL Board of Education Summary Report
- (2) Information obtained from the U.S. Dept of Commerce Bureau of Economic Analysis.
Figures for the most current year are unavailable.
- (3) Special census performed.
- (4) Official Census Data
- (5) Bureau of Labor statistics- labor force data
- (6) U.S. Census Bureau estimate
- (7) Some figures above have been restated to correct errors in previous fiscal years.
- (8) Updated by Bureau of Labor Statistics since last fiscal year
- (9) Preliminary rate from Bureau of Labor Statistics
- N/A Information is not available

CITY OF SPRINGFIELD, ILLINOIS

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>Fiscal Year 2016</u>			<u>Fiscal Year 2007</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
State of Illinois	17,600	1	29.62%	17,000	1	27.34%
Memorial Health System	4,455	2	7.50%	5,200	2	8.36%
St. John's Hospital	4,217	3	7.10%	2,567	3	4.13%
Springfield Clinic LLP	2,631	4	4.43%	900	9	1.45%
Springfield Public Schools	2,150	5	3.62%	2,019	4	3.25%
University of IL – Springfield	1,696	7	2.85%	1,118	8	1.80%
SIU School of Medicine	1,546	6	2.60%	1,350	6	2.17%
City of Springfield	1,431	8	2.41%	1,789	5	2.88%
Blue Cross Blue Shield	1,310	9	2.21%			0.00%
Horace Mann Educators	1,008	10	1.70%	1,280	7	2.06%
SBC / AT&T				900	9	1.45%
USPS				900	9	1.45%
Top Ten Total	<u>38,044</u>		<u>64.04%</u>	<u>35,023</u>		<u>56.34%</u>
Total workforce	59,410			62,189		

Source: Illinois Department of Employment Security; Springfield Chamber of Commerce

CITY OF SPRINGFIELD, ILLINOIS

FULL-TIME-EQUIVALENT CITY EMPLOYEES BY CITY AGENCY

LAST TEN FISCAL YEARS

<u>Agency</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Office of the Mayor (1)	36	36	35	34	31	29	31	30	30	31
City Council	12	12	12	12	12	12	12	12	12	12
City Clerk	5	5	5	5	5	5	5	5	5	5
City Treasurer	14	14	14	14	14	13	14	13	13	13
Human Resources	12	12	12	12	11	11	11	11	11	11
Budget & Management (5)	26	26	25	25	25	23	32	31	62	61
Fire Department	225	241	236	234	219	212	228	229	226	225
Public Works (2)	247	248	249	244	227	214	194	184	180	180
Economic Development	78	13	13	12	11	10	9	9	9	10
Public Library (3)	-	65	65	58	47	41	41	41	41	41
Police Department	319	327	324	322	304	289	287	289	282	282
Conventions & Tourism (4)	20	20	19	19	19	19	13	14	14	14
Public Utilities	709	713	761	761	742	721	683	642	622	614
Total	<u>1,703</u>	<u>1,732</u>	<u>1,770</u>	<u>1,752</u>	<u>1,667</u>	<u>1,599</u>	<u>1,560</u>	<u>1,510</u>	<u>1,507</u>	<u>1,499</u>

(1) absorbed 33 positions following reorganization in FY2004

(2) absorbed Building & Zoning following reorganization

(3) part of Comm. Serv, through FY2003- part of Econ. Dev. in FY2004- elevated to Agency in FY2005

(4) Elevated to Agency during reorganization

(5) Absorbed fleet operations

Note: This schedule represents planned City Employees.

CITY OF SPRINGFIELD, ILLINOIS

OPERATING INDICATORS BY AGENCY

LAST TEN FISCAL YEARS

Agency	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Works										
Streets resurfaced (miles)	2.7	8.0	0.0	2.5	4.0	0.0	15.0	16.0	51.0	45.0
Concrete patching (miles)	0.6	3.5	0.9	0.9	3.9	1.0	1.0	5.0	5.0	2.0
Building Permits issued	3,786	3,384	3,196	3,576	3,326	2,960	3,520	3,186	3,310	3,118
Building Permits value	187,264,987	193,722,102	198,228,372	190,768,327	207,229,681	255,756,699	193,633,649	254,923,577	161,782,726	225,480,353
Police										
Calls for Service	135,777	158,960	124,993	124,512	123,035	123,652	123,940	117,683	119,841	133,996
Adult Arrests	7,359	7,925	7,614	7,615	6,832	6,699	6,225	5,987	5,757	5,099
Juvenile Arrests	1,351	1,361	1,517	1,665	1,085	1,183	941	878	1,049	1,108
Citations issued	25,334	25,404	16,928	22,386	24,189	22,489	22,532	17,798	16,195	14,691
Fire										
Emergency Responses	17,223	15,075	15,919	15,348	15,931	16,431	16,411	16,368	17,185	16,963
Inspections	4,767	4,639	5,337	3,774	4,197	4,459	4,579	4,701	3,513	5,216
Library										
Books in collection	421,476	392,645	414,690	451,723	358,912	347,109	343,099	315,132	312,499	318,767
Total reference questions	65,211	58,088	53,482	45,825	41,768	38,447	34,041	34,184	29,931	29,839
Physical Items borrowed	789,147	671,867	727,018	699,234	636,433	624,112	596,847	508,655	469,261	446,861
Ebook circulations (borrowing)								52,723	64,219	74,874
Borrowed per capita	7.1	6.0	6.5	6.3	5.5	5.4	5.1	4.8	4.6	4.5
Public Utilities										
Electric Customers	70,308	70,764	69,575	69,833	69,475	69,636	69,941	70,264	70,864	71,305
Water Customers	51,545	51,966	51,112	51,424	51,156	51,446	51,829	52,043	52,540	53,134
Avg Daily Water Consumption (gallons)	22,119,254	23,181,707	20,702,828	21,179,524	22,468,891	22,456,897	22,792,040	20,635,082	20,561,678	20,393,222

Sources: The City of Springfield's Office of Public Works, Police Department, Fire Department, Library and Utility

CITY OF SPRINGFIELD, ILLINOIS
CAPITAL ASSET STATISTICS BY AGENCY
LAST TEN FISCAL YEARS

Agency	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Works										
Miles of Streets (2)	647	654	655	656	656	657	625	626	628	629
Miles of Sewers (1)	580	580	493	494	494	495	495	496	498	499
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	12	12	12	12	12	12	12	12	12	12
Public Utilities										
Miles of Water Mains	636	645	650	745	747	749	759	760	761	763
Miles of Electric Lines	1,112	1,127	1,133	1,136	1,075	1,079	1,081	1,083	1,084	1,086
# of Street Lights	18,086	18,324	18,446	18,496	17,226	17,303	17,329	17,379	17,468	17,484

Source: City of Springfield Office of Public Works, Police Department, Fire Department and Public Utility

(1) FY09 reflects miles subsequent to completion of GIS mapping.

(2) FY13 reflects miles subsequent to completion of GIS mapping